

MINUTES OF THE MEETING OF THE  
CADDO PARISH COMMISSION'S  
ECONOMIC DEVELOPMENT COMMITTEE  
HELD ON THE 3rd DAY OF JUNE, 2021

The Caddo Parish Economic Development Committee met in legal session on the above date, at 1:00 p.m., in the Government Chambers Conference Room, with Mr. Lynn Cawthorne, Chairman, presiding, and the following members in attendance: Commissioners Atkins, Burrell, Cawthorne and Young (4). ABSENT: Commissioners Johnson and Gage-Watts (2).

Mr. Young gave the invocation, and the Pledge of Allegiance was led by Mr. Burrell.

**NEW BUSINESS**

The Chair moved to the New Business item, *Update On The Former GM Facility From Industrial Realty Group, LLC (IRG)*.

Dr. Wilson introduced Mr. Stewart Lichter, owner of the Industrial Realty Group (IRG) to provide an update and their plan of use for the plant.

Mr. Lichter, CEO of IRG LLC, explained that their company specialized in acquiring large facilities and converting them into other uses such as retail or apartments. That their company is recognized as a leader in the nation for their real estate development including schools, sports venues, and hotels. He then introduced his team and that their broker team are proactive and aggressive towards outreach. Mr. Lichter discussed that the GM facility in Shreveport is in like-new condition and they have maintained the building and equipment which was highly regarded by their clients. But they have lost deals due to feedback regarding labor force and the city's remote location.

Mr. Onno Steger, Senior Vice President of IRG, explained that the GM facility was built to produce 60 cars per hour compared to 60 cars per week and suggested breaking up the site for multi-use.

Mr. Lichter mentioned there was a Chinese company that is interested in the facility. Mr. Steger added that there are political complications that delay closing the deal.

Mr. Lichter advised the Committee that they are under confidential agreement not to discuss any further.

Mr. Burrell wanted to know if the facility is too large for one company to use. Mr. Steger acknowledged that they focused on a single tenant but are diversifying the use of the company.

Mr. Jackson wanted to know if they were only focusing on car businesses and clarification on costs. Mr. Steger acknowledged that they were initially built as a car manufacturing facility. But are trying to attract clients by subdividing it would cost to refit it for their needs.

Mr. Steger explained that they have a residing client in the facility that preps Hyundai and Kia cars for dealerships and IRG pays the Parish a percentage of profits from the lease.

Mr. Raymond Alley, partner of Walker-Alley & Associates, invited the Committee to visit the facility.

Mr. Darrell Bossert, Vice President of IRG, expressed his enthusiasm and eagerness working in IRG to bring business to their Shreveport facility. He explained a situation of an electric vehicle

company passing on the Shreveport facility due to lack of supplier network and they have not visited the facility. And that their team is still enthusiastic to bring business to their facility.

Mr. Alley and Mr. Bossert presented their company's potential clients for the site and discussed how the layout of the facility can be modified to their needs. They elaborated their portfolio of clients and tenants in their facilities and their efforts in maintaining those relationships, that they are enthusiastic about leasing the facility to prospects in the market and explained the government and private financial support to close the deal on leasing their facility. They also mentioned their enthusiasm in bringing a tenant to the GM facility to ease the supply chain gap that many other companies have exposed as a reason for not choosing the Shreveport facility.

Mr. Bossert added that the startup PPE company is currently producing a plant design and has offered no cost design service to them.

Mr. Alley and Mr. Bossert discussed their success in signing a lease on one of the buildings at the GM facility with the offer of IRG funding their client's move to the facility. And discussed other prospects in companies reshoring their operations.

Dr. Wilson concluded that the condition of the plant is good and that IRG are reviewing opportunities. Mr. Alley acknowledged that the roof was recently assessed and the facility's safety measures are in place.

Mr. Steger explained that they kept the floorplan of the facility flexible so that they can modify to suit.

Mr. Alley requested that the Parish maintains Antoine Boulevard on the right of way of the road. Mr. Bossert and Mr. Alley thanked the Parish for their prompt response to any illegal dumping issues and right-of-way issues in the past.

Mr. Atkins expressed appreciation to the IRG team for working hard on finding a tenant for their facility and that the Parish is looking for the jobs to come as well. He encouraged that they try to go with modulating the plant. Mr. Steger acknowledged and thanked the Committee.

Mr. Burrell stated that based on Shreveport's warehousing economy the facility as a manufacturing plant is not the best use. Mr. Lichter acknowledged that they can make the property available for warehousing use and that they are flexible and keeping their options open for use in warehouse or manufacturing.

Mr. Burrell also wanted to know if they are considering pharmaceutical manufacturing in lieu of covid19. Mr. Alley acknowledged that a pharmaceutical facility have to meet the requirements for its use whereas the facility is best suited for manufacturing.

Mr. Steger stated that companies would not seek a facility like the GM facility as a prime choice for their pharmaceutical operations.

Mr. Burrell asked about the opportunity for refurbishing military facilities. Mr. Lichter acknowledged that they are in the market with some prospects that do not fit the GM facility.

Mr. Jackson wanted to know if the GM facility is a certified site. Mr. Steger acknowledged that land is certified but the buildings are not.

Dr. Wilson explained that a site is certified when the utilities and infrastructure ready.

Mr. Alley stated that their properties meet the requirements necessary.

Mr. Jackson asked how they handle any shortage in funding. Mr. Lichter acknowledged that they finance companies using their resources after they have come to a solution with their client to finalize a lease.

Mr. Jackson then inquired about IRG's interest in The Port expansion and that The Port has a master plan to develop the area. Mr. Bossert and Alley acknowledged that after reviewing the available buildings none were ready to use, that The Port was interested in acquiring IRG's property, and offered to meet with The Port again if there is an opportunity.

Mr. Atkins asked for IRG's advice on having Parish properties spec'd. Mr. Lichter acknowledged that without having the market velocity or a business prospect who would need the pre-spec'd building Shreveport would be at a loss and does not recommend that Shreveport does that.

Mr. Alley explained that companies know what they want and there are many properties around Shreveport that are obsolete.

Mr. Steger explained in their experience heavy marketing efforts of potential sites , stat slow development of the property to attract prospective businesses. He stated that it would start filling up other buildings which would attract others who see the movement.

Mr. Jackson asked the IRG team to clarify the issues in workforce that deterred companies from coming to Shreveport. Mr. Steger acknowledged that companies wanted to come to Shreveport but had issues with flying directly into Shreveport, deficient supply chain and the lack of engineering talent.

Mr. Young wanted to know if the supply chain elements that are lacking have been included in the GM facility. Mr. Steger acknowledged that they there are components designed into the facility and that the plant can support a major car manufacturer.

Mr. Lichter explained that having a high production car in the GM facility would attract other prospects to the area, however they are facing challenges attempting to lease the facility.

There be no further business to come before the Committee, the meeting was adjourned.



Linda Montgomery  
Administrative Clerk III