

REDI for LOUISIANA

(RURAL ECONOMIC DEVELOPMENT INITIATIVE)

WHAT IS REDI?

- The core of this initiative is to provide a venue for Louisiana to more effectively and sustainably utilize its natural resources, optimize its wealth of human equity, improve the health of the population and environment, and to improve the quality of life, while having a substantial positive effect on Louisiana's economy, all from within.
- This initiative provides incentives for the development of a genuine local food industry. It would positively impact all segments of Louisiana's food industry from production to market to consumption.
- This initiative also provides incentives for the development and expansion of sustainable energy production and distribution for local use.
- Incentive program is delivered as 1:1 matching grants in amounts from \$1 to \$100,000 to Louisiana entrepreneurs for economic development activities that fall under the scope of REDI.

WHAT ARE REDI'S OBJECTIVES?

- REDI's primary objective is to provide substantial economic growth and opportunity from within the state of Louisiana for the benefit of the state of Louisiana, emphasizing sustainable use of the state's natural resources!
- The major goal of REDI is to provide opportunity for in-state sustainable and profitable economic development, especially in rural agriculture communities, while adding value to locally produced agricultural based food and energy products and services.

WHO DOES REDI BENEFIT?

REDI could impact every literally every community and segment of population in the state of Louisiana! Small agriculture producers and retailers who are finding it ever more difficult to compete in world markets would realize an increase in the value of their products and services. A demand for local processors would be created, as would a demand for all aspects of local marketing. Anyone from home gardeners to graphic designers to mechanical engineers could be affected. The economic multiplier effect from funds invested in REDI is estimated to be in the range of 3:1 to 17:1. A well known fact is that locally produced and consumed food is fresher and nutrition-dense when compared to mass-produced food which is widely shipped and distributed. Individual consumers of Louisiana produced food and energy will be direct beneficiaries of REDI physically and fiscally!

DISBURSEMENT OF FUNDS:

Funds will be distributed and utilized in the following categories:

-Minimum of 50% for production to consumption processes of locally produced Louisiana food and related projects

-Maximum of 50% for sustainable and natural resource conservation related projects, including rural based energy production to end use and related enterprises.

- Additional subcomponents fall within the scope of both major categories:

- Rural Business and Ag & Energy Loan Participation,
- Rural and Agriculture Land Preservation Section
- Sustainable Agriculture and Energy Research Section.
- REDI will also provide for activities such as participant education, training, and technical support through this portion of funding

PROGRAM COMPATIBILITY:

REDI will support and complement the following Louisiana Department of Agriculture and Forestry's areas of focus: Marketing and Agriculture Development -Buy Fresh Buy Local Campaign, Farmer's Market Programs, Louisiana Product Promotion Program, Market Development Division Efforts, Certified Louisiana Logo Program, Agriculture and Forestry Business Counseling Services. REDI will make it possible for many more people in Louisiana to follow Commissioner Strain's next proclaimed "Eat Local Louisiana Challenge" for 2010, and increase public awareness of the benefits of eating local, fresh food and consuming local, renewable energy.

REDI IMPLEMENTATION:

- The Rural Economic Development Initiative (REDI) has been adopted as a project by each of the seven Resource Conservation & Development (RC&D) councils and the Louisiana Association of RC&D Councils. The seven RC&D councils represent the entire state of Louisiana. RC&D Councils have successfully leveraged the RC&D appropriation 8 to 1 to directly support conservation and economic development in local communities, across the nation. An important component of the RC&D mission is to work towards providing more jobs for area residents by expanding the existing economy and by stimulating new economic growth.
- The RC&D areas and councils have been established with the Governor's endorsement by authorization of the Secretary of USDA. RC&D areas exist for the purpose of implementing resource conservation, and development related initiatives, such as REDI.
- The Louisiana Association of Resource Conservation and Development Councils, Inc. (501c3) will administer and implement REDI through its seven member RC&D councils (all 501c3s). All have an existing 501C3 designation, are known for integrity and effective and efficient implementation of projects and initiatives.
- The Louisiana Association of Resource Conservation & Development Councils and the seven RC& D Councils would retain a reasonable administrative fee to cover the cost of implementation. The fee is estimated to be within the 7 to 10% range, with a maximum of 15%.

REDI PARTICIPATION:

- Louisiana individuals, businesses, alliances, cooperatives, partnerships, and other entities can participate in REDI. REDI is unique to this state because it focuses on the entire system of local production to end use of the state's food and energy! Also, REDI does not limit participation to entities from certain geographic areas. Members of all Louisiana communities are eligible to participate.
- REDI is meant to stimulate substantial economic development in the small and family-owned business sectors. Small businesses provide a majority of the jobs in this state and country. REDI will allow the entrepreneurial spirit of the Louisiana population to prosper while providing permanent meaningful economic development.

PREVIOUS SUCCESS:

The REDI program is patterned off of successful programs in Kentucky and Tennessee. Last year Kentucky invested 50 million in its program and Tennessee invested 26 million in its program. Need for the funding level in Louisiana, for REDI, is similar to the level of funding invested by Kentucky and Tennessee, in their programs! Funding for a 10 year term is needed to establish a meaningful, sustainable, and effective program.