

Lafayette construction reaches all-time high

Lafayette, LA— The 2006-07 fiscal year marked the highest total construction valuation in Lafayette's history. At \$493,768,778, the year-end total is more than \$176 million higher than last year.

Not since 2002 has Lafayette seen such a strong concentration of construction projects. Residential and commercial developers have zeroed in on the Acadiana area to take advantage of GO Zone incentives and the accelerated economic growth Lafayette has experienced since 2005.

“With construction projects spread across the Parish, everyone stands to benefit from this growth,” says Gregg Gothreaux, LEDA President and CEO. “You can't go far without seeing a construction site and with one year left to qualify for GO Zone incentives, we are seeing a flurry of construction activity in the parish as businesses rush to be in service by the December 2008 deadline.”

The top five commercial projects are apartment complexes and two additional apartment projects are in the top ten. These seven projects alone total \$82 million and will add 1,424 units to Lafayette's tight apartment market (less than 2% vacancy).

According to Gothreaux, as more individuals move into the region, developers are shifting their interests to multi-family housing in response to the influx of students, young professionals, and empty nesters.

While rising costs elevate construction valuation, increases in the actual number of permits issued for new residential, new commercial, commercial alteration, new apartments and apartment alteration are also reflected in the \$176 million boost. Lafayette Consolidated Government issued 2,806 permits this year, up 145 from 2005-06. Only residential alteration permits saw a decrease (82) from last year.

Permits issued this year include those for the South Regional Public Library (\$8.1 million); Louisiana Avenue's Target (\$5.4 million) and JC Penney (\$6.8 million); new facilities for Cox Communications (\$9.2 million), Acadian Ambulance (\$10.9 million) and Atmos Energy (\$3.5 million); Fresh Market (\$4.2 million); Hero's Point industrial park (\$3.7 million); Southpark Surgical Center (\$7.5 million); and Giles Nissan (\$5.5 million).

“These extraordinary construction numbers speak for themselves,” says Joey Durel, Lafayette City-Parish President. “These projects can only enhance the perception of Lafayette as a business-friendly community and an excellent place to live and raise a family. This comes on top of the recent designations of Lafayette as a *Top 10 City for the Creative Class* and a Milken Institute *top 25 Best City*. The future is bright for Lafayette Parish.”

Construction Valuation is one of many economic indicators that can be found on LEDA's website, lafayette.org.

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