Primary users are state, petroleum and chemical concerns and financial companies. Government employment has increased by about 2 percent annually, but banking employment declined by 18 percent last year. Banking constitutes 18 percent of the office market. Half of the downtown market is leased by the city's five major banks and government, though 5 percent of government leases are outside downtown.

Advantages downtown can provide are access to the financial community and government and proximity to the airport, RERC said.

The Downtown Development District is establishing a computer-based inventory of downtown property that will be used to promote the geographical and rental advantages of the locations.

"Downtown's 'really the legal and financial center of business activity in Baton Rouge,' said Chris Talbert, leasing agent and Baton Rouge office manager for Trammell Crow Co., which is leasing property for the new Bancorp Tower (Louisiana National Bank). That building, which is still being finished, opened in October and already has leased 50 percent of its 155,000 square feet. Its amenities apparently helped it reach that level.

A parking garage overcame vehicular concerns. The building provides a view of the river and the State Capitol, which has been particularly impressive to new national tenants from out of town, Talbert said. "I think our building is going to lease from the top down" on the river side, Talbert said.

The tenant mix includes national brokerage houses, local law and prestigious business firms, and "Big 8" accounting firms.

Additional amenities include a triple connection to the Louisiana National Bank Building, which remains fully leased with a 10 percent waiting list. The twin buildings provide interaction of 37 floors of office space, an eighth.

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Commercial

floor "green space" and a Heart and Fitness Center catering to downtown workers.

"I think we're breaking the ice. Obviously there's a market here," said fitness center manager Ed McCallum. Current members are averaging three visits per week. The center occupies 4,000 square feet of space and has a workout floor for weights and aerobics and two locker rooms. Membership is limited to 50, both general and corporate memberships.

"There are more than enough bodies downtown here," McCallum said.

While downtown may not be the most attractive option for these businesses, the central city still competes with the suburban advantages of suburban space: less-expensive rent; better parking; and proximity to retail and housing.

"Unless these advantages are matched through downtown housing, reduced rent in some properties, better parking facilities and service retail and restaurants, then additional downtown office development may not be successful," McCallum said.

To entice new business, the analysis recommends creation of an "incubator" environment by assembling a space pool of inexpensive downtown offices for potential startup businesses and providing technical support for them. A similar proposal is offered regarding retail businesses.

Downtown retailing is primarily clustered in three nodes at Riverside and North Street, Riverside and Laurel, and Catfish Town, but half the retail space is vacant.

"There is some retail space on Main Street and along North Boulevard. We have a captive audience of office workers," Bates said.

A survey of downtown workers showed shopper habits and desires. While 57 percent of those surveyed rarely or never shop for items other than meals, 62 percent shop either once or several times a month.

Most shopping occurs during lunchtime, but 56 percent of those surveyed only receive a half-hour lunch break.