



House Rural Caucus
City and Town Economic Development Priorities
Vermont League of Cities and Towns
Thursday, January 19, 2017

VLCT is committed to working on ways to spur economic development that includes all our cities and towns everywhere in the state. Interestingly, it seems everything is being recast in terms of its economic impact this year (examples attached)

We endorse the mission of the Comprehensive Economic Development Strategy to “improve the economic well being and quality of life of Vermonters while maintaining our natural resources and community values”.

If we are to balance economic well-being and quality of life with natural resources, there needs to be a reset in terms of emphasis at the state. We note that the Agency of Natural Resources and Natural Resource Board have 571 employees whereas the Economic Development Department has 11 and the entire Agency of Commerce and Community Development, before Governor Scott’s announcement yesterday, had 97. We believe the new Agency of Economic Opportunity, or at least its re-branding, will be a significant re-focusing of effort on sustainable, Vermont sized economic development.

We welcome the considerable body of data that has been collected in the Vermont Futures Project and the way in which that data is displayed to provide information on a regional and local basis.

Municipalities do not themselves start or grow businesses. Rather we are instrumental in putting in place the infrastructure, local regulations and identity that make communities hospitable places to grow businesses. We cannot do that alone.

Municipalities are more than ready to work with state agencies and the legislature to:

- Provide new funding for centralized water and wastewater in village centers and downtown areas;
- Implement the provisions of Act 64 (VT Water Quality Act) that does not discourage the development of new or growth of businesses at the local level;
- Assure that all areas of the state have high speed internet;

- Develop a set of tools that provide flexibility to municipalities in pursuing economic development, particularly in communities that do not have access to Tax Increment Financing (TIF);
- Expand the number of municipalities that may adopt a Tax Increment Financing Program (TIF). Bennington, Rutland, Springfield, Newport, St. Johnsbury and Brattleboro are all interested in TIF.
- Assess the number of home based businesses and “makers” that occupy our hills – the enterprises that have produced great ideas for new businesses and many great brews;
- Revise local plans and zoning bylaws to encourage the siting of right sized enterprises for host communities;
- Build on the many unique attributes and festivals of our individual towns (Rutland Municipal Business Portal, Underhill September Harvest Market, Brattleboro Strolling of the Heifers, Marathons and Fat Bike Races, rail and backcountry trails, farmers markets, breweries, distilleries, and cheese makers all over the state, Festival of Light in Morristown, River of Light in Waterbury, Old Home Days in Plainfield...).
- Acknowledge and foster the development of economic attributes that are contributed by clean waterways, renewable energy and efficiency industries; local foods; trails and greenways; breweries and all the more traditional indices of economic health.
- Work to provide housing for the workforce who are able to stay in Vermont for a job or who we attract to jobs in Vermont.

Vermont Futures Project: <http://www.vtfuturesproject.org/>

Rutland Business Portal: <http://rutlandvt.business/>

Makerspaces article (The Atlantic)

<http://www.theatlantic.com/technology/archive/2015/04/makerspaces-are-remaking-local-economies/390807/>

Renewable Energy Impact:

http://publicservice.vermont.gov/sites/dps/files/documents/Renewable_Energy/CEDF/Reports/VCEIR%202016%20Final.pdf

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Vermont GDP Per Capita

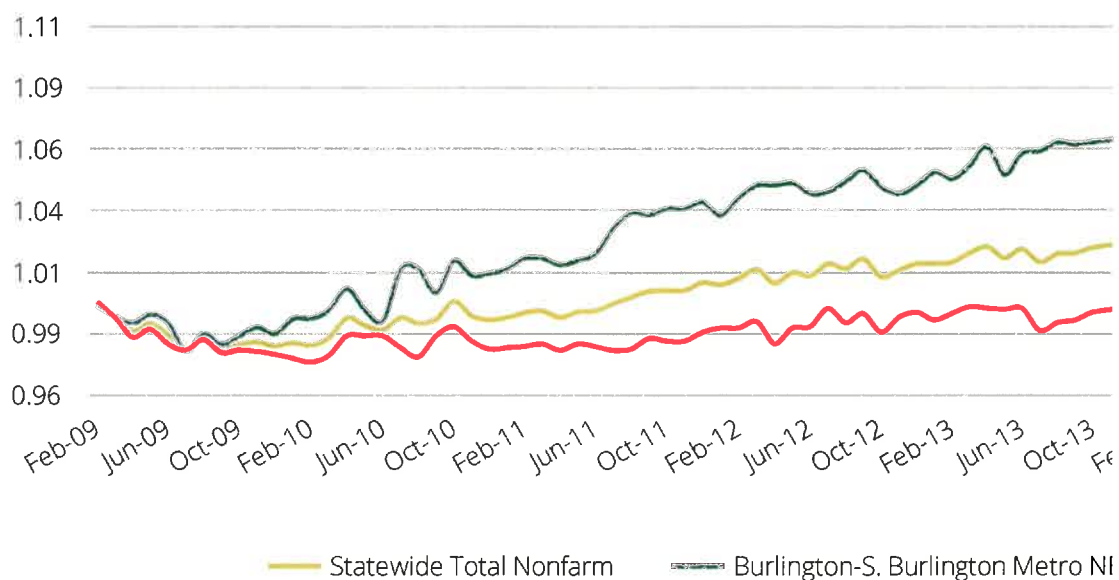
Vermont Job Creation Rates

Growth in Number of Businesses

Number of Businesses

Employment - Burlington Region Vs. Rest of Vermont

Employment Growth since 2009: Burlington Region vs. Rest of Vermont



Source: Vermont Department of Labor

Vermont non-farm employment has regained pre-recession employment levels, largely due to the rate of employment growth in and around Burlington. In the rest of Vermont economic recovery has lagged and varied widely by region, as illustrated by the slower rate of employment growth for “Not Burlington”. From early 2009 to 2015 the state’s employment moved from around 301,000 to 316,000. During the same period employment gains outside of the Burlington accounted for just over 2,000 jobs.

The Vermont Futures Project is an initiative of the Vermont Chamber Foundation.

 Follow us on Twitter (<https://twitter.com/VTFutures>)

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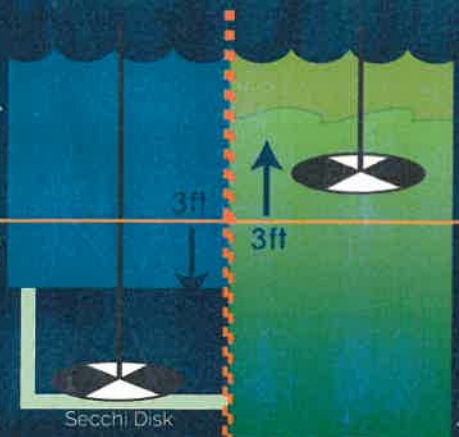
THE ECONOMIC IMPACT OF CLEAN WATER

Water quality in Lake Champlain is a key economic driver, supporting tourism, property values and employment. A decrease in lake water quality could result in long-lasting negative impacts to the regional economy.

Secchi disk depth measures the clarity of water, which is an indicator of how clean the water is.

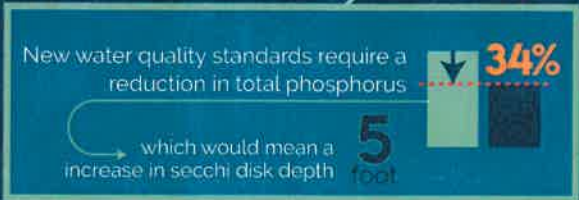


+\$15,200*
increase in home values if water quality standards are met



water quality improves

water quality decreases



Lost Tourism*
-\$16.8 MILLION
July/August



2015 declines in property values cost Saint Albans Town **\$1.8 MILLION** in lost tax revenue

* Projected Impacts with a 3 ft (1 m) decrease in water clarity

Data based on **An Assessment of the Economic Value of Clean Water in Lake Champlain**



READ THE FULL REPORT HERE:
WWW.LCBP.ORG

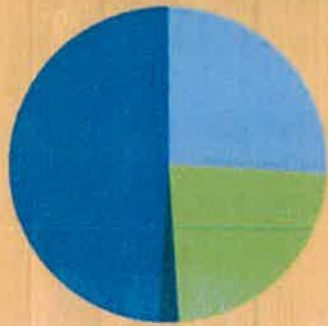


Lake Champlain generates **\$300 MILLION** in VT tourism every year

Economic Impact

Vermont Trails and Greenway Member Organizations

The following organizations participated in this impact study: Catamount Trail Association, Long Trail (managed by Green Mountain Club), Kingdom Trails Association, and Vermont All Terrain Sportsman Association (VASA)



Annual Trail Use by Organization

- Long Trail - 49%
- VASA Trail - 26%
- Kingdom Trails - 23%
- Catamount Trail - 2%

Annual Economic Impacts in Vermont

365 Jobs Supported

\$9 Million in Earnings

\$22.4 Million in Sales

\$30.8 Million

Total Annual Economic Activity Supported by Trail Use

Annual New Spending Impacts



Annually, over

\$15 million in new sales

occur in Vermont as a result of trail visitors spending on travel expenses such as food, lodging, and equipment.

410,000 Annual Trail Users



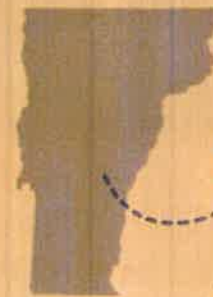
Visitors come to Vermont trails from all over the US and the globe, including Sweden, Germany, Brazil, Australia, China, and Canada.



Sales Tax, Property Tax, and State Tax Revenues

\$2 Million Tax Revenues

Vermont receives over \$2 million in tax revenues annually, as a result of trail users.



This impact focuses only on the four trail organizations and therefore represents only a limited portion of the total economic impact of trails and recreation on the State of Vermont economy.



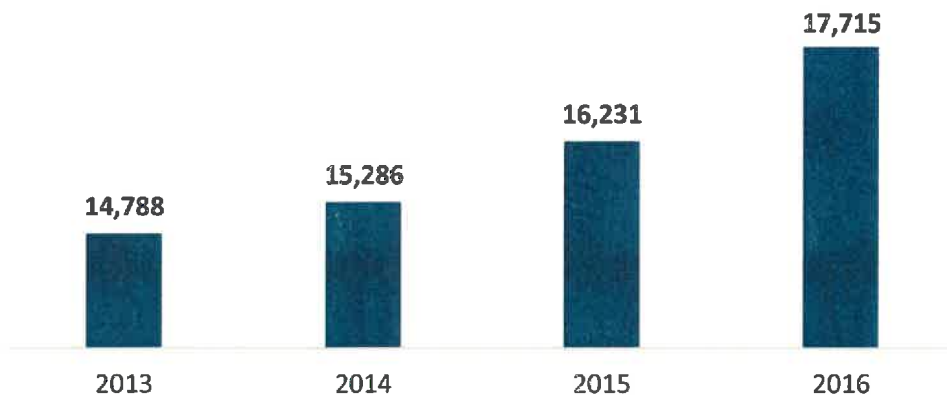


Industry Overview

Employment Growth

Advanced research and market penetration continues to fuel employment growth for clean energy establishments across the Green Mountain State. Vermont surpassed growth expectations reported in 2015 by 3%; the state is now home to just over 17,700 clean energy workers, up more than 1,400 employees over 2015. Since 2013, the state's clean energy workforce has expanded by 19.8%. Today, clean jobs compose almost 6% of statewide employment, which is the highest per capita employment of any U.S. state.¹⁵ Clean energy workers are quite a significant component of the overall economy compared to other states with growing clean energy clusters. For comparison, clean energy workers in Rhode Island and California form about 3% of the overall statewide labor market.

Figure 1. Vermont Clean Energy Industry Employment, 2013-2016



Clean Energy Technologies

Vermont's clean economy is largely composed of energy efficiency employees. These workers account for nearly half of all clean jobs across the state. Renewable energy generation supports about 4 in 10 workers (39%), followed by clean vehicles at 5% of the clean energy workforce.

¹⁵ Bureau of Labor Statistics, Current Employment Statistics State and Area Employment, total nonfarm, November 2015