

Performance Progress Report

Grantee:	Northern Vermont Economic Development District (NVEDD)
Project Title:	Economic Development Implementation for the Northern Vermont Economic Development District
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CEDS Performance Year:	2021
Reporting period end date:	December 31, 2021
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Five-year CEDS Time Period:	2021-2025

Regional CEDS Updates:

This 2021 Annual Report of the Northern Vermont Economic Development District is the first update on the economic conditions of the district based on implementation of actions recommended in 2021 NVEDD CEDS Plan. The plan identifies six interconnected goals that promote a thriving, resilient region with a diverse, sustainable economy:

- Goal 1: Building Economic Resilience;
- Goal 2: Cultivating Business Growth;
- Goal 3: Improving and Expanding Infrastructure;
- Goal 4: Developing the Workforce;
- Goal 5: Investing in the Quality of Life in Communities; and,
- Goal 6: Disaster Preparedness and Recovery.

The disaster preparedness and recovery goal builds a foundation of economic resilience in the region and is both an outcome and a strategy that informs the development of five other interdependent goals. Investments made in the development of each of these goals can have a positive impact on each of the other goals. What follows is a snapshot of economic indicators with highlights of investments in some of the goals across the region

The importance of building the outdoor recreational economy throughout the NVEDD region and has only increased with the effects of the COVID-19 Pandemic. This statewide initiative leverages local outdoor recreational assets to increase visitor traffic to the region, increase consumer spending and create new jobs in the region, promote healthier communities, and strengthen stewardship and management of land and water resources that are the foundation of the outdoor recreational economy. While travel and tourism came to a standstill with the onset of the COVID-19 Pandemic in 2020, the outdoor recreation economy has rebounded in 2021, with more visitors wanting to get away from urban centers and spend time biking, hiking, and enjoying the natural beauty of the NVEDD region.

Both the agricultural sector and creative economy are playing important roles in supporting this boom in outdoor recreation tourism. The continuing development of specialty foods and culinary arts through the farm to plate strategy are creating new products and markets for both established and new business growth that visitors are making travel plans around. Many visitors plan their outdoor adventure around these other amenities, often taking an afternoon off from mountain biking or enjoying one of the region's many lakes to embark on a brewery tour or explore some of the cultural offerings of the region's many unique downtowns and villages. Long under-valued as having significant economic value, the region is beginning to quantify

creative enterprises and industries, to better understand their economic value and impact on communities across the district.

Despite these strides, the district continues to face long-term challenges that will have a significant impact on future economic prosperity. Declining birthrates and an aging population have impacts on the current and future workforce; access to healthcare services in the district—both physical and mental—continues to lag significantly behind the state, with health outcomes, not surprisingly, negatively impacted in several counties of the district. These challenges are significantly exacerbated by the lingering effects of the COVID-10 Pandemic.

In 2020 the Northern Vermont Economic Development District (NVEDD) adopted its Comprehensive Economic Development Strategy. This plan includes six interconnected that promote regional economic prosperity in Northern Vermont through:

- Goal 1: Building Economic Resilience;
- Goal 2: Cultivating Business Growth;
- Goal 3: Improving and Expanding Infrastructure;
- Goal 4: Developing the Workforce;
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The 2021 NVEDD Region at a Glance

<p><u>Population</u> Population: 146,730 Average household size: 2.31 Unemployment rate: 4.2% Median age:43.4</p>	<p><u>Income</u> Median household income: \$ 62,496 Median per capita income: \$ 31,104</p>
<p><u>Business</u> Total Employees:65,730 Total Businesses: 6,430</p>	<p><u>Education</u> No high school diploma: 10% High school graduate: 35% Some college: 27% Bachelor’s/grad/prof degree: 29%</p>

Summary of Accomplishments:

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
Cultivating Business Growth	Leader Evaporator	FCIDC purchased both Leader buildings on Jonergin Drive which then allowed Leader to pay off remaining debt owed to Yankee Farm Credit.	
	Purpose Energy, Inc. (St. Albans Town Industrial Park)	Have renewed option with FCIDC to purchase a 3-acre lot in the Industrial Park for 2020 (May 1, 2020 thru April 1, 2021). Bio-Energy project to create electricity. They will be using manufacturers food waste for a biodigester and will retain 400 jobs.	Plan to construct a building in 2021/2022. Currently going through Vermont's Act 248 permitting process.
	Perley Block Purchase (Enosburg Falls)	FCIDC plans to purchase and revitalize the Perley Block, located at 366 Main Street, in Enosburg Falls. Planned uses are some retail, childcare and offices. \$1.8 million Project.	Expected completion date is July 2022.
	Support for Yellow Barn Business Accelerator (Hardwick)	The construction project, once completed, will support two large cheese processing businesses and an agricultural support organization. 50+ new jobs will be created.	The project is seeking additional funding due to Pandemic related increased supply costs.
	Support for Bogner Building Redevelopment (Newport)	NVDA provided support to the Northeast Kingdom Economic Development Corporation (NEKDC) toward the purchase and redevelopment of a former manufacturing facility in Newport. The building will lease space to Track, Inc. , a growing snow and utility equipment business, which is expected to create 25+ new jobs in their first year once the building is occupied.	The purchase is expected to occur in February 2022, with building remediation efforts beginning right away.
	NVDA provided grant application support to seven business entities seeking Capital Investment Grant funds from the VT ACCD.	Business capital investments will retain and create new jobs, expand facilities, and upgrade equipment.	Phase 2 applications were due 12/27/21. Award announcements are expected in

			Feb. or Mar. 2022.
Infrastructure Improvement and Expansion	Support for Communications Union Districts (CUDS)	NVEDD partners provided, and continue to provide, support to Lamoille FiberNet , NEK Broadband , Northwest FiberWorx to bring reliable, high-speed (100 mbps symmetrical) internet that is locally controlled and cost-effective to every address in the NVEDD region.	Ongoing
	Assistance with water and wastewater infrastructure planning.	Lack of public water and wastewater systems remain a barrier to local development and the creation of thriving, vibrant villages (Wolcott Village, North Hyde Park, East and West Burke, etc.). NVEDD partners are working with these communities to help them explore options, including the use of State and local ARPA funds, to build, replace, and expand village water and wastewater systems. FCIDC is working on a project to extend the Swanton Village water and sewer from MVU high school to the Airport to benefit the Highgate Airport and a private industrial park.	Ongoing
Workforce Development	Career Center Networking	FCIDC continues to meet with BFA to discuss the alignment of workforce needs to local education.	Ongoing
	CTE Networking	The RDCs continue to meet with leadership from regional Career & Technical Education (CTE) centers to discuss the alignment of workforce needs with local education and training opportunities.	Ongoing
Quality of Life	Bike Friendly South Hero VORAC Grant	LCIEDC authored a VOREC application to increase cycling capacity, routes, and facilities in the town of South Hero.	
Disaster Recovery	NVEDD Recovery Plan	Development and implementation of an action-oriented recovery plan for the 6-county NVEDD region.	Final Plan accepted by NVEDD Board October 5, 2021.
	Recovery Plan Implementation		Ongoing

Challenges and Mitigation:

The impacts of the COVID-19 Pandemic are still being felt through the NVEDD region. Disruptions to supply chains and a lack of workers to fill open jobs will continue to negatively impact economic development in Northern Vermont during the upcoming annual reporting period. Additionally, the lack of childcare options along with the cost of childcare continue to be impediments for parents looking to return to the workforce. The passage of [H.171](#) by the Vermont Legislature should ensure that appropriate focus and funding are in place to help expand and improve childcare options in the region and throughout the State.

Next Steps:

- Update to NVEDD website, including a new funding opportunities search tool, based on the one created for the Chittenden County Regional Planning Commission (CCRPC), which will allow NVEDD clients to easily navigate existing funding opportunities and tailor their search to fit their project needs.

- The NVEDD partners will continue to work together to implement the NVEDD Recovery Plan.
- Northwest and Lamoille Regional Planning Commissions will continue to support their Communications Union Districts pending agreement with GoogleFiber to build out broadband services with un and under-served areas.
- NVDA, in partnership with Do North Coworking, will continue to work with the Center on Rural Innovation (CORI) to develop the Northeast Kingdom's digital economy and ultimately apply for an EDA Build to Scale grant.

Client Success Stories:

Lamoille Valley Rail Trail and Missisquoi Valley Rail Trail

The [Lamoille Valley Rail Trail \(LVRT\)](#) is a four-season, multi-purpose recreation and transportation corridor across northern Vermont following the former 93-mile Lamoille Valley Railroad (LVRR) rail line from St. Johnsbury to Swanton. The Sheldon/Highgate/Swanton section of the LVRT opened in September of 2021. The full 93-mile recreational trail, which traverses the entire NVEDD region, is on track to be completed in the fall of 2022 and will stimulate tourism opportunities for Vermonters and visitors to the State. Once complete, the LVRT will provide an important link between several significant recreational trails in Vermont and Canada, including connections to the VAST snowmobile trail network, the Long Trail, the Missisquoi Valley Rail Trail, the Three Rivers Path, and the Cambridge Greenway. According to Transportation Secretary Joe Flynn, "The business and community development opportunities are limited only by the imagination of Vermont entrepreneurs and the creative communities that the trail traverses. We are excited to work with the broad array of stakeholders in coming months as we launch a strategic management planning process to assure that maximum benefit is derived from the investments in developing this recreational and transportation resource."

The [Missisquoi Valley Rail Trail](#), a 26-mile trail that travels through the Western portion of the district includes a new wayfinding program and trail friendly business program. These were developed by Northwest RPC from a marketing plan supported through a Northern Borders Regional Commission grant.

Downtown and Village Center Tax Credits

Over 40% of Vermont's [FY22 Downtown and Village Center Tax Credit](#) dollars were awarded to NVEDD communities! NVDA aggressively promoted the program and provided direct assistance with application development to several Northeast Kingdom businesses, all of which were awarded tax credits in FY2022. A total of 12 projects projects in the communities of Barton, Danville, Elmore, Enosburg Falls, Hardwick, Glover, Lyndonville, Peacham, and St. Johnsbury, had projects awarded funding through the Downtown and Village Center Tax Credits Program in July of 2021.

St. Albans Downtown TIF District

The City of St. Albans is flourishing, welcoming nearly 50 new businesses and 300 workers – including 140 state employees – to its historic downtown and commercial center over the past five years. This robust revitalization is no accident: businesses, property owners and municipal officials have worked together with the state to take advantage of tax incentives, grants and planning assistance through the State Designation Programs, administered by the Department of Housing and Community Development, support for transportation planning and

implementation with grants administered through the Vermont Agency of Transportation and the designation of a Tax Increment Financing (TIF) District. As the city continues to move forward, the example of its recent accomplishments offers a roadmap that communities statewide can follow. See [case study](#) for more information.

EDA Assistance-Needed:

None at this time.

Press Engagements/Opportunities:

- Grand Opening of Lamoille Valley Rail Trail or other local LVRT events
- Yellow Barn Groundbreaking or other Yellow Barn project events