

## Performance Progress Report

<b>Grantee:</b>	Northern Vermont Economic Development District (NVEDD)
<b>Project Title:</b>	Economic Development Implementation for the Northern Vermont Economic Development District
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<b>Five-year CEDS Time Period:</b>	2021-2025

### Regional CEDS Updates:

This 2023 Annual Report of the Northern Vermont Economic Development District is the third update on the economic conditions of the district based on implementation of actions recommended in 2021-2025 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 creates 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.

During 2023, outdoor recreation continued to be an important driver of the region's economy, however at times faced setbacks primarily as a result of flooding that impacted a number of communities in our district. Large sections of the Lamoille Valley Rail Trail were wiped out by flood damage just days before the trail's official opening, impacting communities that were counting on this to increase tourism and consumer spending at businesses on and around the trail. These flooding events highlighted the need to prioritize disaster preparedness and recovery in order to create a foundation of economic resilience in the region.

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, and climate change and the resulting increase in natural disasters like flooding underpin the potential economic setbacks our region may face. Lack of housing is the biggest barrier to attracting workers to the region followed closely by lack of quality, affordable childcare options which continue to be a major issue for current and prospective residents.

The 2023 NVEDD Region at a Glance

<p><u>Population</u>                  Population: 146,612                  Average household size: 2.36                  Unemployment rate: 2.3%                  Median age: 43.1</p>	<p><u>Income</u>                  Median household income: \$63,118                  Median per capita income: \$34,186</p>
<p><u>Business</u>                  Total Employees: 59,362                  Total Businesses: 5,478</p>	<p><u>Education</u>                  No high school diploma: 7%                  High school graduate: 34%                  Some college: 18%                  Bachelor's/grad/prof degree: 41%</p>

Source: Chmura's JobsEQ, Industry Snapshot: Northern VT Economic Development District, 2023.

**Summary of Accomplishments:**

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
<b>Cultivating Business Growth</b>	Fonda Site Rehabilitation	Formerly a paper processing facility in St. Albans, the Fonda site on Lower Newton Street sat vacant for over a decade due to pollution that had permeated into the ground. However in May of 2023, after an extensive \$3,000,000 cleanup effort, the American Rail Dispatching Center became the first new office to open its doors at the site, keeping 61 employees in the region that help coordinate 800 trains daily for 100 railroads across 42 states. The site will soon house 33 senior apartments being built by Cathedral Square, a non-profit based out of South Burlington. This project is slated to begin construction in May 2024.	Ongoing
	St. Johnsbury Revitalization Fund	This summer, Town Officials authorized \$2 million through its St. Johnsbury Revitalization Fund to support new housing projects, business development, growth within the town's creative economy, support for a local food cooperative, and recreation initiatives that together will leverage \$40-80 million of investment over the next 3-5 years.	Ongoing
	Support for Yellow Barn Business Accelerator (Hardwick)	The groundbreaking ceremony for Hardwick's Yellow Barn took place in August of 2023, marking the start of construction for what is soon to be a new 25,137-square-foot building and redevelopment of the 4,762-square-foot historic yellow barn. The construction project, once completed, will support two large cheese processing businesses and an agricultural support organization. 50+ new jobs will be created.	Ongoing
	Support for Johnson Industrial Park	In FY23, LCPC assisted the Town of Johnson in applying for Northern Borders Regional Commission (NBRC) grant that will help the Town fund the development of a light industrial/commercial park outside of the 100-year	Ongoing

		<p>floodplain along the Lamoille River. This project will develop critical infrastructure including an access road, water, wastewater, electric, and telecommunications. Installing this core infrastructure in a safer area will be critical for Johnson’s ability to create local, accessible job opportunities and be resilient in the face of future climate conditions and extreme weather events.</p>	
<p><b>Infrastructure Improvement and Workforce Development</b></p>	<p>Support for Communications Union Districts (CUDS)</p>	<p>NVEDD partners continued to provide, support to <a href="#">Lamoille FiberNet</a>, <a href="#">NEK Broadband</a>, <a href="#">Northwest FiberWorx</a> to bring reliable, high-speed (100 mbps symmetrical) internet that is locally controlled and cost-effective to every address in the NVEDD region.</p> <p>In 2023, NEK Broadband more than doubled their number of customers and increased the total number of addresses serviced to 2,352, in part because of a \$17.5 million dollar USDA ReConnect Grant.</p> <p>Lamoille FiberNet entered into a partnership with Consolidated Communications to construct, operate, and maintain Fidium fiber network for underserved homes in Lamoille County. The work is expected to be done over two phases in 2024 and 2025, with nearly 90% of new internet infrastructure being built in phase I.</p> <p>Northwest FiberWorx reached an agreement with Biddeford Internet Corporation which will allow NWCUD to construct, own, maintain, and operate an “open access” fiber optic cable network. Their financial plan is currently in its final stages and construction is expected to begin in 2024.</p>	<p>Ongoing</p>
	<p>Assistance with water and wastewater infrastructure planning.</p>	<p>Lack of public water and wastewater systems remain a barrier to local development and the creation of thriving, vibrant. NVEDD partners are working with 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. The following are some examples of these projects that took place in 2023</p> <p>The town of North Hero received over \$2.2 million from the Northern Borders Regional Commission, Community Recovery and Revitalization Grant, and Congressionally directed spending to address frequent breakages affecting village businesses. A successful bond vote was held in 2023 and construction will begin in the summer of 2024.</p> <p>The Village of Jeffersonville secured almost a million dollars in funding from the Northern Boarder Regional Commission and Congressionally Directed Funding for critical upgrades to their municipal water system. The village completed construction of the first phase of these improvements in the fall of 2022 and began the engineering of further improvements in 2023.</p>	<p>Ongoing</p>

		<p>Since 2019, the LCPC has been assisting the Town of Wolcott with coordinating a study of options to address wastewater limitations in the Village Center. In June of 2023, a “Preliminary Engineering Report” identified an option for a shared leach field located at the Wolcott Elementary School. The location is particularly important for Wolcott, given that it is located outside of the floodplain. During the July 2023 flood, many homes in Wolcott experienced damage to their leach fields and sewage backup due to onsite septic systems located in the floodplain. In addition to providing opportunities to revitalize less flood prone areas of the Village, the wastewater project will also reduce this risk during future floods.</p>	
	Funding Opportunities Search Tool	<p>NVEDD-continues to maintain and update the new <a href="#">Funding Opportunities Search Tool</a> on the NVEDD website, which allows businesses, nonprofits, and municipalities in the NVEDD region to easily navigate existing funding opportunities and tailor their search to fit their project needs.</p>	<p>Launched June 2022, updates are ongoing</p>
	CTE Networking	<p>The RDCs continue to meet with leadership from regional <u>Career &amp; Technical Education (CTE) centers</u> to discuss the alignment of workforce needs with local education and training opportunities.</p>	<p>Ongoing</p>
<b>Quality of Life</b>	Walk/Bike Friendly Montgomery	<p>Montgomery will construct 1,600 feet of sidewalk, a bike lane, marked crosswalks, and parking along the north side of Route 118, from the Recreation Center to the village center at River Street. The project will improve the quality of life for current and future residents while building economic resilience by providing additional access to recreational activities and goods and services in the downtown.</p>	<p>2024</p>
	St. Johnsbury Food Co-op	<p>Over the summer, the Caledonia Food Co-op successfully raised \$350,000 in donations over the course of just a few weeks in order to secure the former Walgreens property in downtown St. Johnsbury as the location for their co-op. The group is expected to officially purchase the building and open their doors in 2024, expanding access to healthy food for residents and supporting the positive developments occurring in St. Johnsbury’s downtown.</p>	<p>Ongoing</p>
<b>Disaster Preparedness and Recovery</b>	LVRT Flood Recovery	<p>In July heavy rain and flooding caused significant damage to the Lamoille Valley Rail Trail, shutting down large sections just days before its official opening. The entire trail was assessed for damage and in August nearly 50 miles of the 93-mile-long trail were able to reopen as a result of extensive collaboration and work from rail trail program staff and maintenance teams. Despite additional flood damage in December, all sections of the trail were able to open for winter use as a result of recovery work throughout the end of the summer and fall. Additional work will be done in 2024 to fully repair segments of the trail in the central part of the state that received the most damage.</p>	<p>Ongoing</p>

	Johnson floodplain restoration	LCPC managed a Flood Resilient Communities Fund (FRCF) grant for acquisition and floodplain restoration at the “Holmes Meadow” in the Village of Johnson. Flood modeling completed in 2019 identified the potential for floodplain restoration in this location to reduce damage from flooding and ice jams in Johnson Village.	2023
	NVEDD Recovery Plan Implementation	Continued implementation of an action-oriented recovery plan for the 6-county NVEDD region, which was accepted by the NVEDD Board on October 5, 2021.	Ongoing

### Challenges and Mitigation:

Disaster preparedness and recovery continued to be a major priority as summer flooding impacted many communities throughout the NVEDD region in 2023. Flood recovery was a priority in the region for much of the latter half of the year, highlighting the importance of planning for natural disasters and encouraging sustainable development. Lack of housing options and childcare remain as two of the larger concerns for the region as well, as both make it difficult for workers to relocate to the region to fill open jobs and negatively impact economic development. Much has been done to grow the affordable housing stock in the region, however more work is required to meet the demand of Vermonters and potential new workers looking to relocate.

### Next Steps:

- Maximize content on NVEDD’s [website](#) including regular updates to the new [Funding Opportunities Search Tool](#) and adding a section highlighting regional success stories.
- Continue to support the region’s three Communications Union Districts with the buildout of affordable, reliable high-speed broadband internet service throughout the NVEDD region, specifically currently under-served areas.
- The NVEDD partners will continue to work with State Agency partners to facilitate regional rail trail councils and a develop a trail friendly business program for the LVRT, modeled on the [MVRT Trail Friendly Business Program](#), to improve quality of life in the region and support economic development in our rail trail communities.
- 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
- The NVEDD partners will continue to work together to implement the NVEDD Recovery Plan.

## **Client Success Stories:**

### Granary Building

In Jeffersonville, the LCPC assisted the new owner of the Granary building with site planning ideas to enhance this Brownfield property's appearance, its repurposing as a local food businesses hub, and restoring a segment of a former railroad as a bike/ped connection to the adjacent village. A strong vision of the site's reuse and the positive impact this creates in the broader community set a solid foundation for the project's permitting under BRELLA. The granary also received a Downtown Tax Credit to further redevelopment.

### Perley Block

Franklin County Industrial Development Corporation purchased the historic Perley Block building in June 2022 as part of its new mission to be community focused. After renovating the first floor into office and retail space, the Perley Block is now home to Franklin Northeast Supervisory Union's administrative offices, and two small businesses, B's Flowers and Healthy Nutrition. The second floor houses 8 fully-occupied apartments, which will be renovated as they are vacated. FCIDC is also renovating an attached structure into office space for use by Northwest Counseling and Support Services (NCSS) and has plans to add four additional apartments.

### Caplan's Building

In 2023, Northern Express Care moved into the recently renovated Caplan's Building, doubling their available space and providing a more accessible location compared to their previous home elsewhere in St. Johnsbury. The Caplan's building renovation, made possible by funds received through a Downtown and Village Center Tax Credit and Preservation Trust Grant, created two new commercial units in downtown St. Johnsbury while maintaining and repairing historic aspects of the building such as its façade, vintage signage, and the original hardwood floors. The second unit, currently serving as a box office for Catamount Arts and the Fried Family Gallery will eventually be leased to a new tenant; however Northern Counties Health Care has expressed interest in leasing to another retail tenant to honor the history of the building.

### Alburgh Family Clubhouse

The Alburgh Family Clubhouse, set to open in July of 2024, will provide early care, education, food services, and an afterschool program for 62 local children from birth to fifth grade. The project received a \$500,000 Community Recovery and Revitalization Grant in 2023 that will aid in the construction of this facility and provide care for at-risk children during a time when Vermont families are struggling tremendously to access affordable childcare. The clubhouse will primarily focus on enrolling children in Alburgh, as it is estimated that regulated childcare available in the town meets less than 20% of current demand.

### Town of Highgate Village Core Project

In 2017, the Town of Highgate purchased a blighted project in the Village Center with the hopes of cleaning it up and redeveloping it with some commercial lots. Work throughout the years has brought about a partnership in 2023 with Cathedral Square for 30 units of much needed housing for ages 55 and up. This achievement, as well as future plans for a new Public Library & Community Center, renovation of the Historic Stinehour Hotel and Stagecoach Inn in our Village Center, and the pursuit of new businesses, has been realized through these major guideposts:

- Brownfields Assessment I & II
- Property clean-up/demo of old café building
- Highgate Library & Community Center Feasibility Study
- Community Survey & Public Outreach

- Exploration of Commercial development
- BRELLA Program
- Implementation Plan for Highgate Town Center
- Historic Assessment of old Stinehour Hotel
- Water Source Investigations
- Master Plan Design & Library Schematic
- Wastewater feasibility & preliminary Engineering Investigations
- Archaeological Resource Assessment
- Wastewater property option exploration
- Public Vote to purchase disposal field site
- Develop Corrective Action Plan for Brownfields contamination
- Public Vote to proceed with Wastewater Construction

### Forestry Accelerator

Eight startups from Vermont, Maine, Pennsylvania, California, Oregon, and British Columbia completed the rigorous Forestry Accelerator, a program of Northern Vermont University and Do North Coworking, in the Fall of 2023. The four-month program is open to Northern American-based pre-seed and startup companies that are commercializing new and improved products, services, and technology in the forest industry. The program includes an intensive curriculum developed by ecosVC with in-person and virtual workshops, webinars, and 1:1 coaching, as well as connections to industry experts, customers, suppliers, and partners. The Forestry Accelerator supports both the northern forest economy and emerging companies bringing products and services to market in three key areas: 1) products that use chips, dust, resins, and other byproducts and low-grade wood; 2) Technology that improves forest management and operations; and, 3) Products that develop and improve advanced wood heat, fuels, and energy. Applications for the third cohort will be accepted in the Spring 2024.

### **EDA Assistance-Needed:**

None at this time.

### **Press Engagements/Opportunities:**