

## 2024 NVEDD CEDS Annual 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>CEDS Performance Year:</b>	2024
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<b>Five-year CEDS Time Period:</b>	2021-2025

### Regional CEDS Updates:

This 2024 Annual Report of the Northern Vermont Economic Development District is the fourth 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.

In 2024, our region was once again impacted by widespread flooding that damaged businesses in communities throughout our district as well as large sections of the Lamoille Valley Rail Trail. This marks the second year in a row that flooding has caused significant damage and economic setbacks in our region, highlighting the need to prioritize disaster preparedness and recovery in order to ensure our region can be economically resilient.

The district continues to face a number of long-term challenges that will have an impact on future economic prosperity, the most significant being the shortage of housing across our region and the entire state. This, along with the lack of affordable childcare options, continues to be a barrier to attracting young workers and families to our region. Declining birthrates and an aging population also 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.

*The 2024 NVEDD Region at a Glance*

<u>Population</u> Population: 147,697 Unemployment rate: 2.9% Median age: 44	<u>Income</u> Median household income: \$63,118 Median per capita income: \$39,898
<u>Business</u> Total Employees: 60,262 Total Businesses: 5,766	<u>Education</u> No high school diploma: 6% High school graduate: 33% Some college: 18% Bachelor's/grad/prof degree: 43%

Source: Chmura's JobsEQ, Industry Snapshot: Northern VT Economic Development District, 2024.

**Summary of Accomplishments:**

Activity	Task	Benefits/Outcome/Impacts/Deliverables	Milestone Date
<b>Cultivating Business Growth</b>	Fonda Site Rehabilitation	Over the last decade, City of St. Albans has worked diligently to prepare the 5-acre former Fonda / Solo property for redevelopment by demolishing abandoned buildings and addressing environmental concerns. Using State and Federal funding mechanisms, the City offered a turnkey site to developers. Milot Real Estate will be constructing 87 units of workforce housing on the City owned site beginning this summer. The Fonda / Solo Redevelopment received over \$5 million in State and Federal funds to redevelop the site and surrounding area, and \$8 million in low-cost financing from the Vermont Housing Finance Agency through the Vermont State Treasurer Pieciak's LIAC program. VHFA also committed an additional \$1.8 million in low-cost financing from the VHFA Rental Revolving Loan Fund.	2024
	St. Johnsbury Revitalization Fund	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 Johnson Industrial Park	The LCPC continues to assist the Town of Johnson with environmental review, final design and engineering of the light commercial, mixed-use industrial park. The project will develop critical infrastructure including an access road, water, wastewater, electric, and telecommunications outside of the floodplain. This will allow businesses to purchase and develop individual lots and create accessible local job opportunities. The Town has added "mixed use" to the proposed goal of the project to also leave room for housing development as an option for future lot uses.	Ongoing

<b>Infrastructure Improvement and Workforce Development</b>	Support for Communications Union Districts (CUDS)	<p>NVEDD partners continued to provide, support to <u>Lamoille FiberNet</u>, <u>NEK Broadband</u>, <u>Northwest FiberWorx</u> 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 2024 NEK Broadband merged with CVFiber and now service a combined 71 towns with the goal of facilitating economic growth, community development, and digital equity across the NEK and Central Vermont. Construction continued as expected in 2024 with installation beginning in segmented areas of over 20 towns in the NEK.</p> <p>In 2024, Lamoille FiberNet and partner Consolidated Communications Inc (CCI) constructed over 500 miles to bring Fidium Fiber to 4,590 Lamoille County addresses, including all unserved on-grid addresses in Belvidere, Cambridge, Eden, Johnson and Waterville. Funded by the Vermont Community Broadband Board ("VCBB") and CCI, Phase 1 was completed on time, under budget, and also reached an additional 400 unserved homes.</p> <p>In 2024 the Vermont Community Broadband Board awarded Northwest Fiberworx a \$20.2 million ARPA grant that will allow them to begin building out a fiber internet network in Franklin and Grand Isle counties. This funding will help provide a sustainable network, access to affordable broadband services, and enable Northwest Fiberworx to participate in the Affordable Connectivity Program or any future comparable program. Most importantly, this build will help provide universal access to highspeed, broadband internet to every unserved/underserved area in the district.</p>	Ongoing
	Assistance with water and wastewater infrastructure planning.	<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 2024</p> <p>North Hero will begin construction in 2025 on a standpipe and line replacement that will stabilize water service to the village where the narrowness of the island and geographic challenges prevent redundant piping. The project has been funded with a combination of NBRC, CRRP, CDS, and local funds.</p> <p>The Town of Highgate is designing a Village Wastewater System to enable economic development and housing opportunities in the Highgate Center village area, including on the village core property. The wastewater system will be owned and operated by the Town of Highgate, including the disposal site on Lampkin Street, which the Town of Highgate purchased in 2022. The wastewater system will be designed, permitted and constructed to</p>	Ongoing

		<p>treat 20,000 gallons per day of wastewater, which is estimated to serve between 40 to 80 homes and businesses, depending on wastewater flows. It will operate similar to a soil based septic system but on a larger scale. Wastewater will be collected in individual tanks on each property and conveyed through piping to the disposal site. Construction of the wastewater system, including the design, permitting and land purchase, is being funded in large part by grants made available by the State's ARPA dollars and the State of Vermont's Clean Water State Revolving Fund.</p> <p>The LCPC continues to assist the Town of Wolcott with their community wastewater system, by securing funding and coordinating engineering and design of the option selected from the 2023 Preliminary Engineering Report. This option reduces risks during flood events such as damages to leach fields and sewage back up in homes, by creating a shared leach field outside the floodplain. LCPC helped secure a \$750,000 Northern Borders Regional Commission grant through a partnership with the Economic Development Administration to help fund the construction phase and keep the project as affordable as possible for the Town. Once operational, the system will help revitalize less flood prone areas in the Village. LCPC is facilitating conversations with businesses and property owners that can connect to the system, identifying projects such as redeveloping a large vacant commercial property along Route 15, and converting an old church building into apartment units.</p>	
	Sustainable Trail Building Certificate Program	Funded in part by a NBRC Forest Economy grant, the Sustainable Trail Building Certificate Program is a one-year, hands-on learning experience designed for people interested in entering the trails industry which began in September of 2024. The program, which is a collaborative effort between Vermont State University and North Woods Stewardship Center, allows aspiring trail-builders to gain the fundamental skills needed to build and maintain non-motorized trails using up-to-date and sustainable practices. This program enables individuals to grow their own skillset and create opportunities to meet the industry's workforce needs for hiking, biking, and multiuse trail creation and maintenance.	Ongoing
	Funding Opportunities Search Tool	NVEDD-continues to maintain and update the new <u>Funding Opportunities Search Tool</u> on the NVEDD <u>website</u> , 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.	Ongoing
	CTE Networking	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.	Ongoing

	Highgate Airport Water and Sewer Project	In 2022, EDA awarded the Town of Highgate and Village of Swanton a \$1.5 million grant to expand water and sewer lines to the Franklin County State Airport. This grant was intended to support the development of multiple industrial properties next to the airport, additional airplane hangers, and the establishment of a workforce development facility. The additional capacity is expected create more economic opportunities for Highgate by brining businesses into the airport to utilize the additional 100 acres available for private investment. This also involves running new water and wastewater lines from Swanton to Highgate.	
<b>Quality of Life</b>	Walk/Bike Friendly Montgomery	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. A series of public meetings took place in 2024, including numerous one-on-ones with property owners and the engineering team. The final design for the project was completed and construction will begin after the receipt of all relevant state and federal permits.	Ongoing
	St. Johnsbury Food Co-op	In 2023, 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 officially purchased the building and is in the process of remediating the site. Once completed, the Co-op will expand access to healthy food for residents and support the positive developments occurring in St. Johnsbury's downtown.	Ongoing
<b>Disaster Preparedness and Recovery</b>	LVRT Flood Recovery	As a result of heavy rainfall and flooding which resulted in five separate disaster declarations over the past two years, there have been significant repairs required for a number of sites along the LVRT. In 2024, two separate flooding events resulted in damage to over 50 sites and damage or debris removal required for six bridges. The cost of these repairs was estimated to be over \$9 million, and currently four projects remain in order to repair all damages from 2024 flooding. It is crucial to continue to factor in the LVRT when it comes to disaster planning and preparedness, as this is an important economic driver that runs through our entire region.	2024
	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. The floodplain restoration project will enhance floodplain access by removing a man-made berm, lower the floodplain, and create a riparian forest, with a tentative completion date in 2026. The goal of this project area is to reconnect the floodway, building a flood bench to protect infrastructure by reducing pressure on Route 15 at the sharp river bend and catch and store sediment, ice, and debris.	Ongoing

	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
	Northern Vermont Recovery and Resiliency Project	NVEDD was awarded a \$414,897 EDA grant for a recovery and resiliency project spanning the Lamoille River Valley. The goal of this project is to better understand the hydrology of the Lamoille River in order to determine ways to reestablish floodplains and reduce sediment runoff. Reducing sedimentation at the base of the Lamoille would alleviate water intake problems currently effecting the Georgia Industrial Development Corporation's water treatment plant that serves three manufacturing facilities employing a total of 600 people.	Ongoing

### Challenges and Mitigation:

Disaster preparedness and recovery continued to be a major priority as summer flooding impacted many communities throughout the NVEDD region for the second year in a row. Flood recovery was a priority in parts of the region for much of the summer and into the fall of 2024, 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 through the InnovateNEK program, funded by a \$1.5 million EDA funded Build to Scale Grant.
- The NVEDD partners will continue to work together to implement the NVEDD Recovery Plan.

## **Client Success Stories:**

### The Alburgh Family Clubhouse (AFC)

The Alburgh Family Clubhouse officially broke ground on construction of a brand new, state-of-the-art childcare and early learning center on Missile Base Road in Alburgh. The Clubhouse is on track to open in fall 2025. It will address an urgent need for expanded childcare and early learning opportunities for young children and their families in the small rural communities of Grand Isle County. AFC will offer full-day, full-year infant, toddler, preschool, and afterschool programs. Alburgh Family Clubhouse, Inc. (AFC) is a grassroots, community-driven, non-profit organization fueled by the determination of dedicated volunteers. Since the Clubhouse project began in 2018, the Clubhouse Board of Directors has raised over \$3 million in federal funding, state grants, and private donations. This has been a tremendous effort from our community members and partners, ranging in scope from major federal grant awards to a bottle redemption program with Alburgh's local transfer station. NRPC staff provided project management and grant administration support to the town and AFC leading up to and in coordination with the team of consultants - Duncan Wisniewski Architects, who designed the new building, Heart of a Child Early Care and Learning Consultation, and Capital Project Consulting (PCI). The Alburgh Family Clubhouse is intended by founding Board members to be a community owned asset and resource for many generations of Alburgh children and families.

### Champlain Theater

The Champlain Theater project was the third phase of the Downtown Swanton redevelopment that was negotiated with the Village of Swanton as part of the Memorial Ace Hardware redevelopment. Phase 1 included the restoration and adaptive reuse of the underutilized 1940's Memorial Building into Memorial Ace Hardware. Phase 2 included a new façade at 5 Canada St. for a homegrown Swanton business, Bees on Broadway. Phase 3 involved the exterior restoration and adaptive reuse of the 1909 Champlain Theater Building in Downtown Swanton. Built as a dance hall and hardware store, this building was turned into a movie theater with the advent of silent films in the 1920's. The local IGA expanded into the space in the 1960's, but when the IGA closed in the early 2000's the building became underutilized and fell into disrepair. The space was divided to accommodate 2 ADA accessible local restaurant and bakery tenants and to provide much needed quality commercial space in the downtown while also bringing the exterior back to life with repaired masonry, new storefronts and façade and new standing seam roof. The Canada Street façade honors the historical look of the building, while the once hidden Memorial Way façade provides a fresher and more modern aesthetic for the two new storefronts, Green Mountain Bistro and Missing Piece Bakery. The Canada Street sidewalk now extends around the building along Memorial Way and create a new downtown commercial block. Additionally, Swanton is a terminus of the Lamoille Valley Rail Trail. The four new businesses included in this project provide the amenities and services that year-round users of the trail require. This downtown commercial hub promotes walkability, public safety and civic pride.

### Hardwick Yellow Barn

After six years of heavy commitment, the Hardwick Yellow Barn has reached substantial completion. The barn, which houses a Cabot destination retail store, opened in September of 2024. The new accelerator building houses the Center for an Agricultural Economy's innovative Farm Connex delivery service, as well as Jasper Hill Farm. Collectively the project will create at least 25 full-time equivalent jobs. NVDA wrote and administered \$6 million in grants, which were parlayed into an \$11.8 million New Markets Tax Credit financing package that yielded more than \$2 million in subsidies.

#### Northeast Kingdom Build to Scale Venture Challenge grant

In partnership with Do North Coworking and the Center on Rural Innovation, NVDA secured a \$1.5 million Venture Challenge grant via the U.S. Economic Development Administration (EDA) Build to Scale program. The grant and matching funds were used to launch the InnovateNEK initiative, which aims to create a culture of tech innovation in the Northeast Kingdom by increasing access to social and financial capital needed to sustain and scale tech startups. The program builds off the foundation created by Do North's Forestry Accelerator and the KickStartNEK program in order to create a pipeline to fuel new businesses and create a more resilient regional economy.

#### PUBLIC/ PRIVATE REVITALIZATION

In 2018 The Village sold the former Memorial Auditorium, a vacant blighted property, to a developer for a nominal fee and a commitment to invest in creating an anchor store for the business district in 2018. This collaboration has served as a catalyst for significant private investment in a new 14,000 sq ft. ACE Hardware Store and subsequent redevelopment of the adjoining, vacant property, the former Champlain Theatre. This historic building has been beautifully restored to accommodate Missing Piece Bakery and Green Mountain Bistro. This now vibrant corner of the Village has sparked more enthusiasm, pride and interest in our Swanton Village.

#### Swanton Village Downtown Traffic Safety Project

In 2020 AOT funded a Downtown Scoping Study to evaluate the confusing and dangerous 5-leg intersection that created a high- crash area for the 10,800 average daily vehicles traversing the convergence of RT 7, RT 78, RT 36 and I-89. The Village has been moving forward to implement the safety recommendations to improve ADA access, pedestrian, bicycle and vehicular safety. These grants plus local match equate to a \$2,099,559 investment in improving traffic safety to support business development and quality of life.

- 2022- \$300,000 AOT + 75,000 local match Merchants Row;
- 2022- \$40,000 purchased a parking lot to support one way street conversion
- 2024 -\$473,700 AOT + \$118,438 local match for Church Street;
- 2024-\$75,000 AOT + \$75,000 local match for Grand Ave Sidewalks;
- 2023- \$35,000 AOT for safety signage, street painting (bike lanes, crosswalks)
- 2024- \$149,502 Charge VT grant + \$7,868 local match for 2 new Level 3 EV chargers in the municipally owned parking lot.
- 2025-\$600,000 + \$150,000 local match awarded for Canada St improvements.

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

None at this time.

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

None at this time