

Appendix:

## Interview Theme Write Up

SOUTHERN VERMONT ECONOMIC DEVELOPMENT  
ZONE COMPREHENSIVE ECONOMIC  
DEVELOPMENT PLAN

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## About Camoin Associates

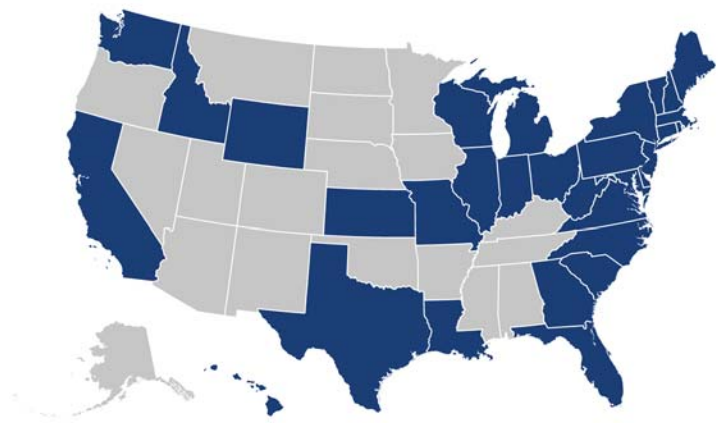
Camoin Associates has provided economic development consulting services to municipalities, economic development agencies, and private enterprises since 1999. We specialize in real estate market analysis to evaluate the feasibility and impacts of proposed projects. Through the services offered, Camoin Associates has had the opportunity to serve EDOs and local and state governments from Maine to California; corporations and organizations that include Lowes Home Improvement, FedEx, Volvo (Nova Bus) and the New York Islanders; as well as private developers proposing projects in excess of \$600 million. Our reputation for detailed, place-specific, and accurate analysis has led to projects in over twenty states and garnered attention from national media outlets including *Marketplace* (NPR), *Forbes* magazine, and *The Wall Street Journal*. Additionally, our marketing strategies have helped our clients gain both national and local media coverage for their projects in order to build public support and leverage additional funding. The firm currently has offices in Saratoga Springs, NY, Portland, ME, Brattleboro, VT, and Richmond VA. To learn more about our experience and projects in all of our service lines, please visit our website at [www.camoinassociates.com](http://www.camoinassociates.com). You can also find us on Twitter [@camoinassociate](https://twitter.com/camoinassociate) and on [Facebook](https://www.facebook.com/camoinassociates).

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## Introduction

As part of the Southern Vermont Economic Development Zone Comprehensive Economic Development Strategy, Camoin Associates conducted interviews with over 20 people in late spring and early summer. Participants included economic development professionals, town officials, business and property owners, real estate agents, and other key stakeholders. It is important to note that these interviews were conducted with individuals from both Windham and Bennington Counties, and their perspectives and comments reflect the differences and similarities of those two areas. The information gained from these interviews is vital to providing on the ground perspective to the data collected as part of the Economic Profile and in shaping the Opportunity and Challenge Assessment. The following is a summary of these interviews grouped into major themes.

## Population and Workforce

The decreasing size of the population in Southern Vermont was brought up by most, if not all, of the interview participants and the subsequent impact that that has on economic development. It was recognized that finding solutions to this challenge is not easy and that Southern Vermont is not alone in trying to reverse this issue. The implications of a shrinking and aging population on the area's workforce was clear from the many companies who mention the inability to find qualified applicants as a number one concern. In addition, a shrinking population results in less disposable income to support the region's retail, service, and other businesses and charities. The following is a summary of some of the information gathered related to workforce and the population.

- Demographic shifts and the inability to find and retain skilled, dependable, and quality workforce is a primary issue that was relayed during the interviews and throughout the Southern Vermont Economic Summit.
- Limited workforce has a direct impact on the desire and confidence of business owners to expand and feel assured that they will be able to fill the positions in Southern Vermont.
- Workforce issues came up in most industries, ranging from entry level to higher skilled positions.
- Issues related to entry level positions are related to total number of applicants due to the small and shrinking population, work ethic issues, inability to show up and perform at work consistently (alcohol and drug abuse, transportation, and child care issues), limited skillsets, wage competition from neighboring communities, and the cliff-effect (occurs when assistance programs like childcare subsidies and Medicaid remove benefits faster than people can earn enough income to replace them) deterring employment.
- Issues related to higher level positions including inability to attract people to live in Southern Vermont (housing, options for accompanying spouse, limited "things to do", lack of diversity), inability to compete on pay, and limited applicants for positions.
- Apprentice, internship, and on-the-job training programs address some of the entry level challenges, but do not solve the higher level/management issues.
- The two counties are actively working to support businesses in their efforts to attract and retain high quality employees through career pathway education, coordinated HR efforts, increased job posting reach, and assistance around accompanying spouse employment. With many positions sitting open for long periods of time, the demand for workforce is great and recruitment needs continued effort.
- With a long history of manufacturing work, especially in Bennington County, it has been challenging to diversify the economy, change the thinking of local residents, and find the necessary talent to fill more innovative, professional positions.

- Need to upskill the people that live in the area and focus on long term efforts rather than being reactive to the changing regional and national economy.
- Some children are growing up without role models of what it means to go to work every day, why it is important, and what is needed to succeed in a career to break the current cycles.
- The declining population is something that many people recognize. However, solutions have been difficult to identify and/or implement.
- Declining population impacts the economy in many ways, including impacting the number of consumers for local stores, volunteers for committees/boards, fiscal implications related to property tax burden, donations to charities, internal and external image/perception, the ability to attract new people to live here, and other impacts.
- Lack of diversity in Southern Vermont influences the ability to attract and retain people and businesses to Southern Vermont.

## Economic Development Environment

The perception of whether a community is “open for business” can have a direct impact on its ability to attract new development and businesses. Overall, interviews were positive about the economic development environment in Southern Vermont. However, there are specific concerns related to Act 250 and general tension or pushback in the region around development. Many participants were aware of the programs that are available to them and the effort being put forward by the regional economic development organizations to find solution. There is an identified need to continue outreach and implementation awareness programs. The following is a summary of the information gathered related to the economic development environment.

- Generally positive sentiment related to the local economic development organizations and their ability to access the right people, connect with decision makers, and their efforts to make projects happen.
- There are varying levels of staff capacity, organizational structure, and resources. Bennington County and Windham County are coming at economic development from varying points but have similar goals and objectives. The combined strategy will have to acknowledge these differences, find areas for collaboration, and still offer specific recommendations that will be actionable for each county.
- Local land use policies and procedures are slightly different from place to place; however, the State’s Act 250 regulations are seen as a detriment to Southern Vermont’s growth.
- Clear tension between the constraint that Act 250 places on development and the desire to maintain the valued Vermont qualities.
- Related to Act 250, the primary role of local economic development professionals is seen as helping applicants through the project, advocating when necessary, and helping make connections to the right decision makers as necessary.
- Taxes and fees were also identified as a challenge to development. Property taxes, health insurance, and worker’s compensation are all expensive and limit growth.
- The two counties have employed various economic development tools related to business attraction, retention, and expansion efforts, including business visitation programs that help to identify potential issues early.
- Other programming offered in both counties includes business training and technical assistance. However, opportunities exist to expand the scope of the programming and awareness of available resources to the businesses. The economic development organizations need to do a better job of conveying information.

- There is a good business climate in terms of interactions among companies in the area.

## Housing

The limited supply of housing, high cost of rental units, and high property taxes came up as a deterrent to economic development as it relates to the inability to attract and retain people in the area. When considering taking a new job in the Southern Vermont area, many people look to see what kind of living arrangements they will be able to afford and find that the wages and cost of living do not align favorably enough to make the move. High cost of construction and limited market value have constrained development, redevelopment, and renovation projects leaving a limited diversity of housing options. A declining population discourages developers from undertaking the expense of new housing construction. The following is a summary of the information gathered related to housing in Southern Vermont.

- Housing is a critical issue related to recruitment and retention. Lack of a diversity of modern housing options, both affordable and workforce housing, makes it difficult to entice people to locate and stay in Southern Vermont.
- There is a need to better understand the language related to housing, including the terms affordable and workforce. Some people confuse the terms “low income” and “affordable” housing. The region does not have a housing needs assessment to fully understand the situation and be able to communicate it.
- The region has a low vacancy rate and limited supply of quality housing which is driving up rental housing prices and decreasing the incentive for property owners to make investments in their properties.
- The housing development market was very strong with many large, expensive, likely second-homes being built, but after the Recession of 2008 housing starts slowed and they are currently very low. There is limited demand for the larger homes due to the decline in the boomer market and younger buyers who are less interested or able to afford the large houses.
- Currently, there is more activity in rehabilitation and renovation than in new construction.
- It is difficult for developers to make projects financially feasible due to high construction costs not yielding a high property value upon completion.
- Changing demographics are driving demand, including need for age restricted housing.

## Infrastructure

When discussing major infrastructure challenges related to economic development, the issue of universal broadband was brought up and identified as a critical issue to solve. Transportation infrastructure and the difference between the east and west portion of the region was identified as important issues, specifically that Windham County may have easier access to markets as a result of I-91 interstate connections. The following is a summary of the information gathered related to infrastructure in Southern Vermont.

- The issue of non-universal broadband and spotty cell services was one of the main issues that came out of the interviews.
- Areas of Southern Vermont are not connected to high speed internet service and have spotty cell service. There is a sense that some communities have not made it into the 21<sup>st</sup> century.
- Efforts have been made to complete the “last mile” telecommunications connection but businesses and potential remote workers are not confident to relocate to Southern Vermont for fear that they will be consistently unhappy with their service provider and unable to work effectively.

- Transportation infrastructure was also brought up, with areas in need of improved paving/maintenance and expanded public transportation options.
- Limited public transportation is seen as an issue facing environmentally conscious individuals, working parents and lower income individuals without private transportation, and others who may be looking to move within their communities but throughout the larger region.
- Green Mountain Power is generally reliable, however there was report of very high electric rates.
- Water and sewer infrastructure was brought up in relation to economic development and the strains put on the system in some areas by the value-added food production industry and the need to manage Biochemical Oxygen Demand (BOD). Without innovative approaches, it may be necessary to make a significant investment in a water treatment facility.
- Bike and pedestrian infrastructure was also identified as an area for improvement, especially when it comes to safety for both transportation and recreational uses.

## Downtown Vibrancy

Recognized as an important asset of Southern Vermont, the downtown commercial areas were brought up as the hub of activity that is important for small businesses as well as residents. Finding ways to increase vibrancy, support small businesses, and encourage thriving and sustainable development will be critical to the economic development strategy for Southern Vermont. The following is a summary of the information gathered related to downtown revitalization.

- The downtown streetscapes, infrastructure, and “Main Street feel” is something that is very attractive to many people.
- Vacant storefronts, parking challenges (perceived or real), homelessness, declining building stock, and stores with inconvenient hours are all threatening the viability of Southern Vermont’s downtowns.
- Streetscape improvements including street furniture, landscaping, lighting, public art, pedestrian and bike safety improvements, and continued support of local businesses are needed.
- Creation of an 18-hour downtown with more restaurants, evening events, cultural events, and other amenities will create a critical-mass of activity.
- There have been a number of recent redevelopment successes (Brooks House, Putnam Block) that will have a catalyst effect on the downtown in which they are located. There is a need to continue to identify and pursue these redevelopment opportunities such as The Island in Bellows Falls.
- There is a need for increased coordination and awareness of Southern Vermont and regional assets. For tourists, those passing through, and potential residents it is important to know where things are, proximity to destinations, and to get a sense for all the amenities in the area. Increased marketing, promotion, and wayfinding could accomplish this.

## Specific Industries and Clusters

During the interviews many participants identified potential industries or clusters they felt presented an opportunity for growth. These industries were mostly aligned with the clusters identified as part of the Windham County CEDS in 2014, with a few differences including limited opportunity for value-added food production in Windham County, potential opportunity for the hemp industry, and a relook at the education industry around specialty education needs. The following is a summary of specific industries and clusters in Southern Vermont.

- The Southern Vermont economy is highly diversified with a stable base of employment around retail and health care and emerging opportunities that continue to grow. The two counties have different industry make-up and clusters.
- There are emerging opportunities related to value-added food production in Windham County to build on agriculture and the Vermont brand.
- It is difficult to provide enough local business to justify starting a new business within Southern Vermont due to distant supply chains. There is recognition that there is opportunity around recreation and food grown in Southern Vermont.
- There is an emerging cluster around advanced manufacturing in both Windham and Bennington Counties including coating technologies and plastics manufacturing.
- Many identified potential opportunities in neurodiverse and other specialty education opportunities, both as places to have specialty schools as well as places for educators to learn innovative practices.
- The Ecovation Hub has seen some momentum to grow the green building and design cluster but has generally slowed with a need for increased participation and recognition across borders of opportunities.
- The creative economy is seen as a driver of economic development both as a jobs creator as well as a critical factor in tourism and quality of life.
- Changes in laws may create new opportunities in the hemp industry in growing, research and development, and product manufacturing.

## Quality of Life and Support Resources

Many people agree that the quality of life is good in Vermont. However, there is certainly room for improvement related to aspects of life that impact economic development and the ability to attract young people to live in the area. The following is a summary of the information gathered related to quality of life and support resources.

- There is need for affordable and flexible child care and after school care options to support working families and make it feasible for people to enter (or re-enter) the workforce.
- There is a need for better choice in affordable housing.
- Young families that are in Southern Vermont want to feel valued and would like to see increased things to do, programming, and recreational opportunities.
- Substance abuse is impacting entire families, communities, and the region. There is need for increased prevention, support, assistance, and treatment programming.
- The state and region are dealing with changes related to Act 46 and assessing how that will impact the education system which will be crucial to ensure high quality education for all residents.
- Educational system quality, either perception or reality, is a major issue facing Southern Vermont and finding ways to improve the system and internal and external marketing will be critical to promoting development.
- New England is a draw for educators from other parts of the country because of the opportunity to realize higher pay, better benefits, chance for advancement, the strong local focus and lower cost of living compared with some other places.



- Young Professionals groups in both counties have been actively working to engage young people and create the type of community that will tie young people to the area. There are opportunities to continue to reach out to different professionals, such as educators.

## General/Other Thoughts

The following is a summary of some of the other important points that were brought up during the interview process.

- The unifying problem that cuts across most everything else is lack of scale. Some think small and getting smaller is not a good foundation. Others think small is an asset and selling point.
- An outcome of this CEDS must be to establish a clear set of accurate and meaningful demographics so that there is common understanding of what is really going on in the region. This will separate the myths from the realities.
- There is a need to raise the importance of being efficient in business for Vermont decision makers and public. Work to reduce the layers of middle management and overlapping jurisdictions to reduce redundancy and increase efficiency.
- There is a need for one big, innovative initiative that will change the image and build the momentum to start the process for ongoing smaller scale “wins”.
- Most businesses interviewed were in the region because the business had initially been started there or moved there many years before there have been limited new business locations in the region recently.
- Improvements will only come from regional collaboration focused on fixing problems and capitalizing on opportunities.
- Many towns either lack ordinances or fail to enforce them on blighted properties. Lack of visual appeal discourages people from relocating in Southern Vermont.
- Is there an opportunity to create an Albany – Bennington – Wilmington – Brattleboro – Keene information corridor similar to the Knowledge Corridor in CT and MA?
- Southern Vermont lacks a recognized brand and image – like “The Berkshires” or “The Pioneer Valley.” Recent work was done on this front but needs to be more widely deployed and utilized. Is the belief that everyone knows the “Vermont Brand” a myth once you get out of the Northeast?

## List of People Interviewed

- Bill Anton, Windham Central Supervisory Union
- Nancy Cefalo and Jessica Fredette, Mack Molding
- Tom Dee, Southwestern Vermont Health Care
- Dick Deutsch, Peak Resorts/Mount Snow
- Julia Dixon, Creative Economy Consultant
- Steve Dodson, Ecovation Hub
- Peter Elwell, Town of Brattleboro
- Dimitri Garder, Global-Z International
- Steve Gordon, Brattleboro Memorial Hospital
- Jill James, Chroma Technologies
- Louis Josephson, Brattleboro Retreat
- Stephanie Lane, Shires Housing
- Anapum Martins, New Chapter
- Joe Miles, R.K. Miles
- Tom Moffit, Commonwealth Dairy
- Stephen Morse, Former Speaker of the House
- Jackie Myers and Michelle Prouty, Myers Prouty Children's Center
- Michel Pilcher, National Hanger Company
- Lisa Sullivan, Bartleby's Books
- Deb Write, Rockingham Selectboard

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