

1 Town of Middlebury
2 Economic Health Committee
3 Minutes of Meeting
4 August 30, 2018
5

6 Present: Fred Kenney, Scott Gemignani, Farhad Khan, Mike Capra, Becky Dayton, Karen Duguay, John
7 Freidin, Steve Boyce and Ben Calvi (arrived immediately after minutes were approved).

8 Absent: Mary Cullinane and Jennifer Murray.

9 Also Present: Selectboard members Brian Carpenter and Heather Seeley; Beth Dow, Town Staff/note
10 taker

11
12 Call to Order: The meeting began at 12:00 p.m. in the Town Offices Large Conference Room.
13

14 Introductions: Karen Duguay, Better Middlebury Partnership; Becky Dayton, Vermont Book Shop; Mike
15 Capra, Denecker Chevrolet; Ben Calvi, Vermont Hard Cider; Fred Kenney, Addison County Economic
16 Development Corporation; Steve Boyce, American Flatbread; Farhad Khan, Selectboard member and
17 One Dollar Market; Scott Gemignani, Tinker and Smithy Game Store; John Freidin, retired former
18 owner of Vermont Bicycle Touring; Beth Dow, Town Manager's office; Heather Seeley and Brian
19 Carpenter, Selectboard members.
20

21 Duguay made the motion to approve the minutes of August 9, 2018 and Dayton seconded. Motion
22 approved with 6 in favor, 2 abstentions (Khan and Boyce) and 2 absent (Calvi and Mary Cullinane).
23

24 Public Comment
25

26 There was no public comment.
27

28 Discuss Committee Charge
29

30 Kenney said that he sent in a request to the Town Manager but it was too late to get into the
31 Selectboard agenda on Tuesday night.
32

33 Carpenter said that he read the minutes and thought of the on-boarding process for the Committee and
34 the charge. He said that he noticed that some of the comments were relevant to current Selectboard
35 priorities, like the water situation on Exchange Street. He said that funds for that project have been
36 allocated for a study to determine what needs to be done. Once the study is complete, the
37 Infrastructure Committee will ask the Selectboard for a bond vote to do the work. He said that he and
38 Seeley were there to answer some questions and take some items off of the table to help focus the
39 Committee. He said that one recommendation from the Economic Health Task Force was to have a
40 standing Committee of business owners to monitor the economic conditions and make
41 recommendations to the Selectboard. Carpenter said that this Committee was to try to focus some of
42 that effort.

43
44 Kenney said that the main concern of the last meeting was that focusing on these specific issues and
45 economic development tools in the time that we have was too short and if we come back with a report
46 then the Selectboard will be right back where they started and be looking for more. He said that the
47 Committee was thinking we should look at it from a higher level and concentrate on a framework for the
48 Town to use to address economic development, not on specific economic development solutions.

49
50 Freidin asked what problems the Committee is trying to solve for and how will they evaluate various
51 options.

52
53 Seeley said that some of the problems are for other committees to solve. She said that there are certain
54 tools that the original task force identified that might be helpful for Middlebury to have, like a Tax
55 Increment Financing District, because that opens up new opportunities that we don't have now. She said
56 that another example would be the Revolving Loan Fund. She said that we don't have a mechanism to
57 support it with Town funds.

58
59 Freidin asked about the \$150,000.00 in the Business Development Fund and what the best use of those
60 funds would be. Seeley said that was number three in the Committee's charge to look at.

61
62 Carpenter received the recommendation and agreed that the timeline is too tight to solve big issues. He
63 thinks that coming back to the Selectboard with a change in the timeline is fine but as far as a change in
64 the charge of the Committee, that would need more discussion. He said that ACEDC is already doing a
65 study and there is a committee that is looking at the best framework regionally. He said that maybe we
66 should wait until those recommendations come forward and suspend this effort. Kenney said that it
67 could take up to three years to have the documented regional economic development plan and it is
68 regional, not local.

69
70 Carpenter said that there are a few charges that are more specific, like retaining and expanding
71 economic opportunities and that has to do with the current economic environment. He said they are
72 looking at what the tools are to help existing merchants and to attract merchants to fill vacant
73 storefronts. He said that the Tax Increment Financing came from the constant complaints about parking
74 and he is wondering if it is a viable option to solve for the parking issue. He said that in that project, the
75 tax dollars would make the majority of the annual bond payments. He said that if the EDI project could
76 get energized again would we have the opportunity to help a developer make this a workable solution.
77 He said that a lot of the hang-up was over parking. He said there is tax payer money targeted for
78 economic development and it would be nice to put it to work but the Selectboard isn't sure of the best
79 way to do that. He said that we have a website and maybe there are tools that businesses might look for
80 to help them that should be there.

81
82 Dayton said there is a little bit of a disconnect with the title of the Committee and that it's not a list of
83 things to consider but a list of things to do. She said this is a list of tasks to tend to but it is not to look at
84 the issues of economic health. She asked Carpenter if the Committee is just a working group to work on

85 these tasks. Carpenter said yes and that the Committee title gives it a larger focus. He said if we expand
86 the mission we need a much larger timeline. Carpenter said that maybe it would be appropriate to have
87 a second charge where one was more operational and one was more strategic to look at long term.
88 Carpenter said that by the end of the construction it will be easier to see. He said that the Battell Block
89 will have a completely different look and will be more attractive for businesses to set up there.

90
91 Freidin asked Carpenter if they would like the Committee to give numbers and requirements on setting
92 up a Tax Increment Financing District but not do anything about parking. Carpenter said that the
93 Selectboard is looking for recommendations on whether it makes sense to do that. Freidin said that he
94 thinks that the Town would want to take proactive measures to get spaces filled to enhance the
95 economic vigor of the Town. Seeley said that was the thing to focus on. Kenney said that the Committee
96 should look at the framework and not the specific buildings or projects.

97
98 Seeley said that she attended a conference and one thing that was clear was that economic prosperity
99 was community driven not town driven, but that the town can support the community by providing
100 tools to help people come there. She said that when the Selectboard established the Economic Health
101 Task Force these things came up but there wasn't time to look at them to determine if they were
102 feasible.

103
104 Carpenter said that the Economic Health Task Force looked at the expenditure of having Jamie on staff
105 trolling for businesses to come to Middlebury and decided that wasn't a performing process and that it
106 was not the solution. He said that they are looking at what we can do to make it more desirable to come
107 to Middlebury.

108
109 Duguay asked if a staff person was out of the question, or maybe they should look at someone who
110 helped current businesses instead of attracting big business. She said that in Waterbury there is a
111 person that is helping businesses find tax credits and that Montpelier is looking to hire a similar person.
112 She said that this person would really be there to support businesses and answer phone calls for
113 businesses that are interested in coming to town. Carpenter said that this would absolutely be
114 something to look at.

115
116 Gemignani said that the list provided was enough for the Committee to get started. He asked about the
117 Revolving Loan Fund, and if the Selectboard would be looking for the Committee to come up with
118 requirements or if there were already some out there. Kenney said that the Committee should be
119 looking at whether or not the Revolving Loan Fund is a good idea or if there is something better.

120
121 Freidin said that tools are only valuable in proportion to the job that you want to do. He also said that
122 you have to go beyond the idea that everything has to be "downtown." He said that the Town won't
123 expand a lot because it's constrained geographically but there are opportunities for expansion
124 elsewhere. He said that to get the community behind it, you need a vision. He said that, for example, we
125 need to get people excited about a plan to solve the parking problem, not Tax Increment Financing.

126

127 Kenney said that the direction we need from the Town is to tell us what the end goals are. He asked if it
128 was more businesses in town or more people in town. He said that if we are going to recommend tools,
129 we have to know what they are for. He asked Carpenter if these tools would also include policy changes.
130 Carpenter said yes, absolutely.

131
132 Capra asked what the Town thinks is important because they all have different opinions. He asked if the
133 goals include tax revenue, retail tax revenue or jobs.

134
135 Freidin said that housing and the affordability of a place to live plays a key role in attracting people to
136 work in Town.

137
138 Seeley said that at the conference she attended it showed everything as a circle. She said that if you
139 bring housing but not jobs it's a cycle that goes around and is complex. She said that they were trying to
140 break it down into something smaller with this group to make some progress. She said that what Freidin
141 is talking about is what she was envisioning for this Committee but wasn't sure if that was what
142 everyone had signed up for.

143
144 Freidin said that we have to have a vision and ideas. He asked about more automobile dealers or the
145 multi-beverage industry which is booming here. Seeley said that the reasons the beverage companies
146 come here is because of our wastewater systems and good water. She said that the Selectboard has to
147 draw the line at what the municipality is responsible for and what community and business leaders are
148 responsible for in regards to economic development. She is wondering how a municipality can support
149 businesses and what tools can be implemented to help and encourage people to come here. She said
150 that water upgrades are very important and the Selectboard is working on that.

151
152 Capra said that sometimes it's what you don't do. He said that people aren't looking for a handout; they
153 just want an environment that's business-friendly. Seeley asked what the municipality could do to
154 change that.

155
156 Calvi said that there were five specific charges for the Committee but everyone defines economic health
157 differently and they didn't know what vision they were working towards. Seeley said that these were the
158 tools that they knew about but maybe there are others out there.

159
160 Freidin said that one thing the Selectboard could do was define the greatest advantages and greatest
161 challenges of Middlebury. He thinks that the Board is in touch with the things that the municipality is
162 responsible for. He is wondering what you would say to someone to get them to do business in
163 Middlebury.

164
165 Seeley said that there was a survey to try and identify the issues where improvements could be made.
166 The issues are so huge: housing, job creation and pay. She asked how we would break it down into
167 something more manageable.

168

169 Freidin said that he doesn't want to wait for parking. He said that by the time you wait, more businesses
170 will go down. Carpenter thinks that looking at parking is a waste of the Committee's time. He said that
171 unless you are willing to build a structure it will be hard to solve for.

172

173 Kenney said that the Committee could look at what other infrastructure projects would be helpful.

174 Carpenter said that he wasn't sure if that is what the Committee should be charged with. Kenney said
175 that the tool is infrastructure, not necessarily parking.

176

177 Gemignani said that having multiple construction projects going on at once is not a good idea and that
178 will put more businesses out. He said that we should focus on the charge. He asked if they should look at
179 filling businesses and coaching businesses into being successful.

180

181 Khan said that it's hard to tell why a business is failing. He said that maybe the construction project
182 pushed them over the hump. He said that we should be mindful of what we could do preemptively to
183 help them like use the Revolving Loan funds to help businesses that are failing and get them counseling
184 on the current economic environment. He said that when you talk about economic health we can't focus
185 on just one thing, it has to be a bigger picture.

186

187 Freidin said that we need leadership. We don't have a mayor or a person that can speak and get people
188 excited. Seeley said that should come from the business community. Freidin said that one thing we
189 should do is find ways to stimulate excitement. Duguay said that would be a tool that another
190 organization can take on, like the BMP.

191

192 Freidin said that he would like to know how businesses that have been here for a long time are still
193 successful.

194

195 Kenney asked if they wanted to do research, how they would do that and if there was a possibility for a
196 budget. Carpenter said that there are funds, as long as it's tied to the discussion of how we grow and
197 sustain Middlebury. Kenney asked if we would have to come back each time to the Selectboard.

198 Carpenter said that yes, each time, it should come to the Selectboard but would like Kathleen's opinion.
199 He said that anything over \$2,500.00 has to be approved by the Selectboard. Carpenter said that we can
200 make a budget and Ramsay can approve any items brought by Kenney like what was done with the BMP
201 downtown events.

202

203 Kenney asked what the next step would be. Carpenter said that a timeline request and any amendments
204 to the charge should come back and once approved, if funds need to be spent, it should come to the
205 Selectboard. He said that once the budget is flushed out it should be brought forward.

206

207 Kenney said that there is a Main Street National Organization that has a lot of information for
208 municipalities and we have a downtown organization that is recognized by the State as a Main Street
209 Organization.

210

211 Carpenter and Seeley left at 1:05 p.m. Carpenter said that he appreciated the Committee's time as this
212 is a huge issue for Middlebury.

213
214 Committee Discussion

215
216 Kenney asked the group if they were feeling better about the charge or had any recommended changes
217 to it and if they wanted to ask for an extension given the commitment. Freidin said it would be
218 interesting to start with a conversation and ask the group about their ideas and what they wanted to do
219 before they decided how they wanted to change the charge.

220
221 Dayton said that it wasn't up to them to change the charge that they were given by the Selectboard. She
222 said that you were either in or out. Kenney asked if everyone was still in given the charge. Dayton said
223 that she was more comfortable with a slow and steady approach to the issues. She didn't think it was
224 possible to answer these five charges in the timeframe given. She said that the timeframe is driven by
225 the railroad project and that as a Committee they have to be able to look beyond the railroad project.

226
227 Duguay said that they are uniquely positioned in Middlebury to re-imagine what our downtown could
228 look like and how it could function going forward. She said that she would rather stay on the Committee
229 for the duration in order to do something meaningful and positively impact the Town.

230
231 Freidin said that he is glad to spend the time and that they need to think big and from high up. He said
232 that they have to think about the issues and the questions. He said that he was not worried about the
233 charge.

234
235 Calvi said that the Selectboard knows economic health is a complex issue and they are looking for tools
236 as a municipality and that is the charge.

237
238 Duguay said that they should look at how other municipalities are doing this.

239
240 Kenney said that they are looking at a minimum Committee timeline of two years. He said that the
241 community development funds have to be spent within a certain amount of time or the State would
242 take it away. He said it has to be CDBG (Community Development Block Grant) eligible to receive the
243 funds.

244
245 Khan said that he thinks the charge should be left alone and focus on retail first. Kenney said that he was
246 wondering why they should only focus on retail opportunities when it should be all opportunities.
247 Duguay said that she thought that charge came from pressure because of downtown businesses closing.

248
249 Calvi said that he thought the charge should be amended to retail and other economic opportunities. He
250 said that he would like to know what other towns are doing and said that he is not sure what a
251 municipality can do.

252

253 Kenney said that the first research that they can do is to see what other municipalities do to attract
254 businesses. Duguay said that she is attending the Designated Downtown Retreat and will bring this
255 question there. She will come up with a list of other Vermont towns to talk to.

256
257 Dayton asked if there are other towns that are doing this. Duguay said that Waterbury is doing really
258 well. She said they had a clear plan and have a separate economic development person to work with
259 businesses. Kenney said that Bristol and Bethel were also doing well.

260
261 Kenney said that the website has been set up for the Committee on the Town's website and there is a
262 lot of information out there. He also asked the group about a meeting schedule going forward. The
263 Committee agreed on the second and fourth Thursdays at noon in the Town offices.

264
265 Kenney asked that the group not send things to the Selectboard on their own but as a Committee. He
266 said that the best way to do it is to send it to him directly.

267
268 Kenney said that the Governor is coming to town on September 11, 2018 for his Capitol of the Day Tour.
269 He also said that ACEDC and a few other organizations are hosting a Workforce Development Summit on
270 September 12, 2018 from 3:45-8:00 p.m. at Basin Harbor.

271
272 The meeting adjourned at 1:30 p.m.

273
274 The next meeting of the Economic Health Committee will be at noon on Thursday, September 13, 2018
275 in the Town Offices Large Conference Room at 77 Main Street.

276
277 Respectfully submitted,
278 Casey McDonough