

Middlebury Economic Health Committee

Report to the Select Board

October 20, 2020

Introduction

The Middlebury Economic Health Committee was established by the Middlebury Select Board in September 2018 to recommend economic development tools, policies, strategies, and actions that the Town can use with limited resources and staff (for the full charge, see Appendix 1). The Select Board appointed Select Board Member Farhad Kahn, ACEDC Executive Director Fred Kenney and Middlebury business owner Mary Cullinane to the Committee and asked Fred and Mary to recruit other members, which resulted in a ten member committee consisting of six Middlebury business owners, a Middlebury citizen, a representative of the regional development corporation (ACEDC), a representative of the Middlebury downtown organization (BMP), and a Select Board member (See Appendix 2 for details).

The Committee held 23 meetings, attended by 86 business owners, citizens, officials, and economic development professionals, including 42 business owners who attended a [business roundtable](#) in January 2019 (for meeting and presenter details, see Appendix 3; all meeting minutes can be viewed [here](#)).

The Committee experienced what many citizen committees struggle with: adequate time to contribute to the work and meetings of the committee in addition to regular family, work, and other civic commitments. When it came time to finalize the committee's work and compile a report, this issue was exacerbated due to the onset of the COVID-19 pandemic. Almost everything we learned about and most of what we planned to recommend would not take into consideration the impacts of the COVID pandemic. Nevertheless, the findings in this report merit serious consideration.

Response, recovery, and preparation for a post-COVID economy will require that the consequences of COVID be taken into consideration and at this time, we do not have enough insight and visibility into what those consequences are and will be to make cogent recommendations. Additionally, the majority of the committee members are either deeply involved in COVID response and recovery or are consumed by the struggle to keep their businesses afloat during COVID and the downtown project. The recommendations below, including the development of a mission/vision and creation of an economic development entity will become even more important going forward.

Executive Summary

This report provides a summary of the recommendations developed by the Committee prior to the COVID pandemic. They are based on our research, presentations, committee deliberations, and an analysis of Strengths, Weaknesses, Opportunities, and Threats (SWOT; See Appendix 4), which led to the development of three Critical Factors.

Critical Factor #1

Develop a brief economic vision/strategy for the Town of Middlebury, based upon the town's strengths, that distinguishes Middlebury from other towns, and galvanizes investment in Middlebury's economy.

Strengths identified by MEHC include: agricultural diversity, outdoor recreation, Arts/Culture, and Craft Beverages.

From its inception, the Committee felt that the charge it was given by the Select Board (See Appendix 1) was putting the cart before the horse. The charge did not ask the Committee to develop a vision for Middlebury economic health. We were asked to develop goals, objectives, and action steps without having a vision or framework that those goals, objectives and action steps are meant to fulfill and implement. Without a stated vision, we did not know what the recommendations were meant to accomplish. The Committee recommends the development of an economic vision for the town to serve as the guiding statement for the development of any further economic development goals, objectives and action steps.

Objective 1a: Middlebury Select Board authorizes a neutral facilitator to:

- Use existing plans and the downtown master plan as starting points to develop an economic vision and "elevator pitch" that expresses the collective ideals for the town's economic future, distinguishes Middlebury from other towns, and galvanizes investment in Middlebury's economy.
- Utilizing a public engagement process, obtain participation/buy-in and input from key stakeholders: the public, elected officials, town staff, business managers, NGO leaders, and partner agencies.
- Develop and articulate a vision and strategy.

Objective 1b: Select Board establishes a permanent group to oversee this work, collect deliverables, evaluate results, and recommend next steps.

Critical Factor #2

Select Board establishes an entity to act on behalf of Middlebury's economic health and implement the town's vision.

The Committee examined several options to implement this recommendation (See Appendix 5) including establishing a municipal office and/or staff position, creating an independent non-governmental organization, a not-for-profit corporation, or partnering with existing entities such as the Better Middlebury Partnership and/or ACEDC to create a position dedicated to this task.

There are benefits and drawbacks to each option and the Committee did not finalize an opinion as to which option is optimal for Middlebury. Regardless of the option implemented, the Committee recommends a dual-level system. One at the political level, such as a Select Board member, appointed to oversee the economic development entity and act as an "Economic Health Ambassador" for the town. Someone with the authority and gravitas to speak on behalf of the town, meet with existing businesses to discuss current issues to bring back to the Select Board for action, and conduct welcome visits with new businesses on behalf of the town.

The entity created or authorized by the Select Board would act as economic development staff, and as a business ombudsman, with the following duties:

- Act as an initial point of contact with new and existing businesses/organizations
- Coordinate, and encourage cooperation among, existing economic development organizations
- Develop, in multiple formats, a welcome packet for new business and a doing business in Middlebury "playbook"
- Understand the sense of urgency needed for decision-making and regulatory approval and assist with those processes
- Connect businesses with Planning and Zoning offices early in the process to sync project objections/land use impacts with the town's goals.
- Connect developers to and help navigate state, federal, and local permitting requirements
- Understand and assist with project financing options
- Cultivate opportunities for public/private partnerships to accomplish goals
- Assist existing business with growth plans and recruit new enterprises to Middlebury with the primary goal of filling vacant properties
- Ensure Middlebury attracts and maintains adequate retailers of affordable general merchandise and household goods
- Identify and encourage pop-up business locations
- Identify and advocate for business incentives that businesses state would assist growth, will help attract new businesses, and align with Middlebury's economic vision
- Identify and advocate for the removal of barriers to the development of businesses and job creation in the sectors identified as key economic drivers for Middlebury
- Provide advice and marketing assistance to help scale up small businesses
- Create easily accessible and updated lists of business resources

- Encourage synergistic business development (both horizontal and vertical integration with existing businesses; more of what is working here; climate economy potential)
- Develop partnerships to improve Middlebury’s entrepreneurial ecosystem, increase innovation, and attract new businesses
- Assist retailers to benefit from and transition towards the new digital economy
- Further develop experiential shopping and visits in Middlebury
- Promote, enhance, and protects Middlebury’s natural, historic, cultural, and recreational environment
- Market Middlebury’s five identified commercial areas: Downtown, Exchange Street, Route 7 South, Courthouse/Washington St, College Campus

Regardless of the option selected, the underlying issue is sustainable funding of the office, position, entity, or partnership. To carry out an economic development function at the municipal level requires appropriate, sustained funding and a funding source. The funding sources for the options examined by the Committee (See Appendix 5) include one or more of the following:

- Inclusion in the municipal budget
- A local or business district tax
- Business contributions
- Imposition of a fee or tax and dedication of the funds to economic development

An example of the last option is Rutland’s taxation of private and City-owned land permitted for solar array projects. The revenue from these projects provides sustained funding for the [Rutland Redevelopment Authority](#) and some of their programs.

Critical Factor #3

Maintain and improve essential infrastructure and amenities to keep and attract businesses and families.

Housing:

- Adjust zoning and permitting to encourage and facilitate the construction of more affordable housing for workers, families, and seniors.

Amenities for Kids & Families:

- Encourage and facilitate the creation of more affordable, high-quality childcare facilities.
- Update and restore Ilsley Public Library.
- Establish a community center that serves all ages.

Communication:

- Take steps to improve high-speed broadband internet services and cell phone service in order to facilitate business growth allow for remote work, remote learning, and tele-medicine.

Seniors are the fastest growing demographic group in Middlebury:

- Prioritize the needs of residents over 55 when addressing infrastructure, transportation, and planning.

Community & Business Infrastructure:

- Develop public events that highlight opportunities in Middlebury for outdoor recreation, craft beverages, and the arts.
- Create an “Art Mart” similar to the Farmer’s Market.
- Encourage more evening activity in the downtown.
- Prioritize infrastructure that promotes growth of local employment.
 - Learn the needs of businesses and non-profits in advance of the annual capital planning process by DIDC. Encourage more participation in BMP and DIDC budget meetings.
 - Improve transportation to, from, and within downtown, including options that will connect the Amtrak stop to the town.
 - Resolve the need, or perception of the need, for additional, more accessible, and better signed, downtown parking.
 - Repair downtown sidewalks and keep them clear in winter.
 - Review downtown signage to determine whether all existing signs are necessary/effective and whether there is need for new ones.
 - Encourage the development of local sources of energy in order to keep money spent on electricity and heating within the local economy.
 - Promote sale of local agricultural crops, food, beverages, arts, and outdoor recreational opportunities.
 - Make the farmers market permanent.
 - Encourage local manufacturers, stores, restaurants, farmers, artists, and outdoor recreational businesses to promote each other.

Specific Recommendations Requested by Select Board

1. A basic analysis of the economic viability of Tax Increment Financing and/or other means to support infrastructure improvements in the downtown.

There are two levels to considering the “economic viability” of pursuing a TIF District as a financing tool for public infrastructure. The first level involves a high-level calculation to decide if it is the correct tool to pursue: [(Cost of infrastructure required to achieve desired private development) + (related costs)] = or < [(85% incremental municipal property tax revenue * Approx. 10 years)+(70% incremental education property tax revenue * Approx. 10 years)]. Basically, will the allowed percentage of incremental tax revenue generated by the expected new private development cover the costs of the public infrastructure required to get the desired new private development to occur. Without the costs and revenue of a specific project, it is not really possible for the Committee to determine economic viability.

Then, the second level to consider is whether the cost of the infrastructure exceeds the capacity of the municipality to bond without using TIF, combined with potential state and federal grants to pay for the infrastructure.

Beyond these tangible calculations, there are several less tangible factors that should be considered in a municipal cost-benefit analysis of TIF before deciding to pursue Tax Increment Financing (TIF) as an infrastructure financing tool. These include: availability of the tool and the time required to prepare an application to the State; identification of a project champion or champions and political appetite to endure the pre-application requirements, the application process and post-approval requirements; risks inherent in public-private partnerships; and the TIF District eligibility requirements, including a “But For.

Section J4. of Act 69 of the 2017 acts of the General Assembly limited to six the number of additional TIF Districts that could be created by a municipality and approved by the Vermont Economic Progress Council. To date, two have been approved and three are in various stages of preparing potential applications to be submitted. The town should consider the potential that months of work and thousands of dollars in consulting costs could be expended only to find that the window of opportunity to apply has closed. The process required to create a TIF District, prepare a TIF Plan and TIF Finance Plan, and get through the local and State approval processes, is lengthy and costly. See “[Creating a TIF District in Vermont](#)” for details. The process can take up to 18 months and cost up to \$40,000. While the costs can be considered “related costs,” meaning those costs can eventually be reimbursed to the town from incremental tax revenue, the potential exists that months of work could be put into a process and plan that cannot be submitted because the TIF Districts approval limit had been met. In that case, the costs sunk into the process and plan preparation are borne by the local

taxpayers. This is just one example of the many factors that must be managed by the municipality to have a successful TIF District.

The primary municipal office involved in preparing a TIF application is planning and zoning. That town staff provides the overall direction, selects which private sector development projects to include and identifies and costs out the public infrastructure required for the development to occur, and estimates the infrastructure development timeline. The Treasurer's and Clerk's office also gets involved to identify the parcels to include in the District and creates a key document in the process - the Original Taxable Value. These offices and personnel would be required to put in many hours to provide the base information on the District and prepare several parts of the plan and application to the State. Together with the Select Board, they are responsible for preparing the TIF Plan and TIF Financing Plan and bringing it through the municipal and State approval processes. Even municipalities with available in-house staff to work on data and details hire a consultant to work through the complexities of preparing the TIF Plan and TIF Finance Plan and get it through the approval process. But the consultant normally is not retained following approval, during the implementation phase. After approval, town staff are responsible for tracking and reporting on the details and goals of the District for the life of the TIF District – up to 20 years.

Beyond the municipal staff and consultants, to prepare a TIF Plan and get it through the municipal and State approval processes requires a project champion or group of dedicated stakeholders. These are typically Select Board members, developers, and/or others with knowledge of the TIF program and process and who support the reasons the municipality is pursuing the TIF tool. They support the purpose as articulated by the Select Board and will advocate on its behalf to voters and the State. Without these project champions to push the project to approval and implementation, the potential use of TIF will wither and die.

The project champions must be supported by the political will of the municipal leadership. Unless the Select Board and administration are completely on board with the creation of the District, stand behind the purpose of the District, and support the use of the tool, the champions will not have the ability to advance the project. During the process to create the District and gain municipal and State approval, there will be factions opposed to any development, factions opposed to new infrastructure and building infrastructure that will support further private development, and those opposed to “the redirection” of municipal and education property tax dollars to support economic development. Then, after approval, each TIF District is subject to mandated audits by the Office of the State Auditor, which often are critiques of the tool rather than the proper role of an audit: a comparison of the District's performance against the applicable State law. The cost of these audits, both in dollars and public reaction, can be high. Click [here](#) for an example of a recent TIF audit report, and [here](#) for the resulting public discussion between the local media and the State Auditor. These

factors require that the political leaders know the full scope of what they are getting into and are ready to defend the project and process.

There are several risks inherent in public-private property development partnerships. The major risk for a municipality that chooses the TIF tool is the exposure to the municipal taxpayer if the town moves forward with infrastructure development and the desired and expected private development does not occur, or occurs but does not generate the required level of incremental property tax revenue. In either case, the municipality is responsible for servicing the infrastructure debt from other sources of revenue. A related risk is that the private development is delayed so the expected generation of incremental property tax revenue is also delayed, leaving the municipality with a gap in early years of servicing the infrastructure debt. Additionally, there is a risk that redevelopment temporarily reduces the base property tax revenue (known as the Original Taxable Value), requiring the town to make up the difference to the State until the new development is built and on the tax roll. Finally, there is the risk that the mix of development includes too many non-taxable properties (public facilities; property owned by untaxed non-profits), resulting in a reduction in the expected incremental tax revenue. These risks can be mitigated by careful preparation of a TIF Plan, negotiation of development agreements with developers, and diligent review and oversight by municipal staff during the TIF District implementation.

The final factor to consider are the eligibility requirements to get a TIF District approved. Click [here](#) to review a TIF District primer, including the approval criteria. The underlying criteria can be described as fulfilling both sides of the fiscal ledger; or “meeting both sides of the coin.” On the one side is the need for private development or redevelopment within a specific area to meet the development/redevelopment goals of the municipality and which fulfill certain State goals. On the other side of the coin is the need for certain public infrastructure to enable or encourage the desired private development. Further, the municipality must certify and provide evidence that the public infrastructure cannot be financed using normal funding mechanisms such as municipal general fund dollars, capital fund dollars, reserve dollars, local tax increases, municipal bonding (without TIF), and/or state and federal grants and loans, or a combination of all of these sources.

The eligibility requirements are:

PURPOSE: Does the TIF District and Plan meet the statutory purpose of TIF:

- To provide revenue, *beyond normal municipal budgets and debt load*, to develop public infrastructure that will encourage private sector development and/or redevelopment.
- Statute specifically requires:
 - Infrastructure improvements must serve the TIF District and stimulate private sector development or re-development;
 - The private development must provide employment opportunities;

- The private development must improve and broaden the tax base; and
- The private development must enhance economic vitality of the municipality, region or state.

BUT FOR: Is the use of TIF to finance the desired infrastructure, and is the public infrastructure to be financed by TIF, *required to get* the desired private development? Specifically, VEPC must determine that the infrastructure improvements proposed to serve the District and the proposed development in the District would not have occurred as proposed or would have occurred in a significantly different and less desirable manner than proposed but for the utilization of the incremental tax revenues.

PROCESS CRITERIA: Has the municipality met all of the statutory process criteria, including:

- Municipality held properly warned public hearings and followed correct process to create the District and the TIF District Plan;
- Properly and completely developed a District Plan and TIF District Finance Plan;
- Municipality pledge of at least 85% of incremental municipal property tax revenues to the TIF District financing
- TIF Plan is compatible with the local and regional plans and there is clear local and regional significance for resulting employment, housing and transportation improvements.

LOCATION CRITERIA: The municipality and/or the TIF Plan must meet **two of the following three:**

- The development will be compact and high density or located in or near an existing industrial area;
- The TIF District is fully within a State-designated Growth Center, Downtown, Village, New Town Center, or Neighborhood Development Area;
- The development will occur in an economically distressed area, which means the TIF is within a municipality that for the year of application has:
 - A median family income at 80% or lower of statewide median;
 - An average unemployment rate at least one percent greater than statewide average; or
 - A median sales price for residential properties at 80% or lower of statewide median.

PROJECT CRITERIA: The municipality, the TIF Plan, or the expected development must meet **three of the following five:**

- Need: The TIF Plan requires substantial public investment over and above normal municipal operating or bonded debt;
- Affordable Housing: The private development will include new or rehabilitated affordable housing as defined by 24 VSA 4303.
- “Brownfields:” The public infrastructure improvements or the private development will result in brownfield remediation/redevelopment, which means:
 - A hazardous substance, pollutant, or contaminant is or may be present; and
 - The situation is likely to complicate development.
- Business Growth: There will be at least one entirely new business or a business expansion:
 - New business must be from outside Vermont;
 - New business or business expansion will create new, quality jobs that meet or exceed prevailing wage for the region.

- The public infrastructure and development will enhance transportation, meaning:
 - It will improve traffic patterns and flow; or
 - It will create or improve public transportation systems.

NEXUS CRITERIA: The planned public infrastructure can be located anywhere within the municipality, but it must serve the TIF District. There must be a nexus (linkage, connection, impact on) to the real property development that is expected to occur. The real property development expected in the District must be linked to projected public infrastructure. And, parcels included must have nexus to infrastructure or have expected development.

PROPORTIONALITY CRITERIA: If new infrastructure or infrastructure improvements will serve areas other than the TIF District, VEPC will determine the proportion of the infrastructure cost that can be financed with TIF revenue: A proportion can be proposed by the municipality. To determine proportion, VEPC will use actual data, if available or a “rational” formula, based on subjective descriptors and data analysis.

FINANCIAL AND MARKET VIABILITY: Municipality must provide, and VEPC will analyze, all data such as infrastructure costs, debt assumptions, real property development and property tax revenue generation assumptions, availability of other sources of revenue, analysis of revenues generated through property taxes, grants and other revenue received or expected, and the ability to service the projected debt. They will also examine existing stock of housing and commercial properties, and the marketability and absorption of proposed developments.

With enough time and effort, Middlebury could likely meet the Process Criteria to establish a TIF District. However, the development will have to meet the “compact and high density” definition of the Location Criteria because Middlebury cannot meet the distressed area definition.

The Project and Nexus/Proportionality Criteria will depend on the private development and infrastructure involved. The primary issue is the “But For.” The ability to prove this criterion will depend on the scope of the development and infrastructure required to get that development to occur. The town first needs to decide what development and redevelopment should occur and then consider whether the TIF tool is the correct one. The downtown plan should be a great start to that process.

But the town needs to carefully look well beyond the application approval criteria and conduct the difficult cost-benefit analysis of all the other factors discussed above to decide if the risks can be mitigated to an acceptable level and the benefits outweigh the costs. The sense of the Committee was that there is not a likely development project or projects requiring the scope of infrastructure that would make use of the TIF tool viable or that would pass a cost-benefit analysis using the factors discussed above. It is more likely that for any project that requires public infrastructure to proceed, the project could be accomplished through a private/public partnership to build the infrastructure for which the town could use traditional bond debt.

Other funding sources are listed below. Regardless of the funding sources that might be pursued, the town should ensure that major public infrastructure projects are included on the [Regional Priority Project List](#) maintained by ACEDC, which is reviewed by State and federal agencies when considering funding applications.

[USDA/Rural Development Services for Communities](#) (Federal)

[Northern Border Regional Commission](#) (Federal)

[US Economic Development Agency](#) (Federal)

[Vermont Programs](#)

[Comprehensive Funding Directory](#)

2. The most effective use of funds remaining in the Middlebury Business Development Fund and Vermont Community Development Program Grant revolving loan funds.

The Committee heard from several municipal officials regarding successful programs they have available that could be modeled for use of the remaining MBDF and CDBG funds.

The Rutland Redevelopment Authority operates a [Business Incentive and Assistance Program](#), which consists of a Revolving Loan Fund, jointly funded and administered with a local credit union, a non-secured loans program that offers small loans which may be forgiven if predetermined investment commitments are met by the end of the loan term, and opportunities for grants which may be used to supplement equipment and machinery purchases or real property improvements. The program can also cover or offset initial costs of infrastructure upgrades or improvements required by a particular project.

This program is fairly new so there is not much data available regarding its success to date. Also, the program has sustained funding through the City's solar tax imposed on solar array developments.

Rutland City also offers free or discounted workspace for start-up businesses in one of its privately established downtown incubator spaces or the City can provide short-term assistance of up to 50% of rental costs for appropriate commercial space within the City.

Another idea considered by the Committee for the MBDF/CDBG funds, which is successfully utilized by several municipalities (Bristol, Vergennes, Hinesburg, for example), is the establishment of a revolving loan fund (RLF). The Select Board requested, and ACEDC provided, a white paper on various [RLF options](#) at the August 11, 2020 Select Board meeting.

Given the limitation on the amount of funds available and the fact that there currently is not a sustainable source of continued funding, the Committee recommends that the funds be invested in an immediate need in a way that leverages other (federal, state, local) funds. One

such need identified by the Committee (See Critical factor #3 above) is the improvement of high-speed broadband. With the establishment of a Communications Union District (CUD), which includes Middlebury, there is the opportunity to invest in a project that is addressing the issue of availability and affordability of high-speed broadband. The project has accessed State funding and will likely apply to federal programs, additional state programs, and ask municipalities involved to pledge funds to leverage the state and federal funds.

Appendices

1. MEHC Charge
2. Committee Members
3. Committee Meetings/Public input/Presenters
4. SWOT Analysis
5. Examples of Municipal Economic Development Structures

APPENDIX 1 MEHC CHARGE

Using the work of the 2017 Economic Health Task Force as a starting point, recommend economic development tools, policies, strategies, and actions that the Town can use with limited resources and staff.

Who: Initially, appoint current applicants for appointment to the Economic Health Committee: ACEDC Executive Director Fred Kenney, Select Board Member Farhad Khan, and Mary Cullinane

Ask Fred and Mary to recruit up to 4 additional members for the committee. In addition to one Select Board member, potential members include: Economic Health Task Force Members; business owners and entrepreneurs; one representative from each of the following groups: the Chamber of Commerce, Better Middlebury Partnership, the Downtown Improvement District Commission and Exchange Street business association.

When: Prepare recommendations for presentation to the Select Board by August 2020. Interim recommendations may be presented when prepared and the Committee will provide progress reports to the Board periodically.

What: Facilitated by Fred Kenney, using the Addison County Development Opportunity Profile and current economic trends as a backdrop, the group will consider the following topics as it develops recommendations to the Board:

- Retaining/Expanding Retail and other Business Opportunities;
- A basic analysis of the economic viability of Tax Increment Financing and/or other means to support infrastructure improvements in the downtown;
- The most effective use of funds remaining in the Middlebury Business Development Fund, including, but not limited to providing revolving loan funds or other low- or no-cost economic development tools that have been successful in other Vermont communities;
- Use of Vermont Community Development Program Grant revolving loan funds to support economic development (activities must be VCDP eligible, not limited to use for revolving loan fund); and
- Other new policies or policy changes, strategies, and actions that a municipality can implement to maintain and improve the economic health of the town.

The Committee's recommendations to the Board will outline how the effort will be sustained – by a Committee, staff and/or a combination thereof.

(Approved by Middlebury Select Board, September 2018)

APPENDIX 2

MEHC COMMITTEE MEMBERS

Steve Boyce,- Owner, American Flatbread

Ben Calvi, General Manager, Vermont Cider Company

Mary Cullinane, Partner, Community Barn Ventures

Becky Dayton, Owner, Vermont Bookshop (Resigned April 2020)

Karen Duguay, Executive Director, Better Middlebury Partnership (BMP)

John Freidin, Middlebury Resident

Scott Gemignani, Owner, Tinker and Smithy Game Store

Fred Kenney, (Chair), Executive Director, Addison County Economic Development Corporation

Farhad Khan, Owner, One Dollar Market and Middlebury Select Board Member

Mike Capra (Alternate), Middlebury Business Owner (Resigned November 2018)

Jennifer Murray (Ex Officio), Director, Middlebury Planning & Zoning

**APPENDIX 3
MEHC COMMITTEE MEETINGS
PUBLIC INPUT AND PRESENTERS**

[2018 Minutes](#)

August 9, 2018:

Dave Cole, Owner, Mechanical Advantage (Member 2017 Economic Health Task Force)

August 30, 2018:

Brian Carpenter, Middlebury Select Board Chair

Heather Seeley, Middlebury Select Board Member

September 27, 2018

October 11, 2018:

Amey Ryan, Neighbors Together

Nancy Malcolm, Neighbors Together

October 25, 2018:

Kathleen Ramsay, Middlebury Town Manager

November 8, 2018:

Barbara Saunders, Steve Terry, Lucy Schumer, Chris Robbins, Todd Desabrais, Midd. Planning Commission

Dave Wetmore, Middlebury Assistant Zoning Administrator

Gary Holloway, Downtown Program Administrator, Vt Agency of Commerce and Comm. Development

Alyssa Johnson, Economic Development Director, Town of Waterbury

November 29, 2018

December 14, 2018

[2019 Minutes](#)

January 10, 2019

Business Roundtable Discussion (Click [here](#) for information)

January 31, 2019:

Fred Dunnington, former Town Planner and Zoning Officer

February 14, 2019

February 28, 2019

March 28, 2019

April 11, 2019

April 25, 2019

May 9, 2019

June 13, 2019:

Sue Ritter, Matt Curran, Peggy Burns, Middlebury College Administration

Amitava Biswas, Middlebury College professor

Alison Martin, Tanzim Ahmad, Varsha Vijayakumar, Audrey Olson, John Gosselin, Isabel Lubitz, Middlebury College Students

Rob Carter, Addison County Chamber of Commerce

Kelly Hickey, Bundle

Nick Artim, Middlebury Select Board Member

Jim Gish, Project Liaison, Rail & Bridge Project

APPENDIX 3
MEHC COMMITTEE MEETINGS
PUBLIC INPUT AND PRESENTERS

July 12, 2019

Ross Conrad, Middlebury Citizen

Bill Biederman, Addison County Business Owner

Bill Colvin, Director, Bennington Regional Development Corporation

Joshua Jerome, Director, Economic Development, Town of Randolph

Gretchen Havreluk, Economic and Community Development Consultant, Town of Wilmington

Joel Schwartz, Director, Barre Area Development Corporation

July 25, 2019

Mortaza Afghani, Caroline Macrae, Middlebury College Students (BMP Interns)

Varsha Vijayakumar, Middlebury College Student

Sue Ritter, Amy Carlin, Peggy Burns, Middlebury College Administration

Nancy Malcolm, Neighbors Together

Kelley Hickey, Bundle

September 12, 2019

September 26, 2019

October 10, 2019

Brennan Duffy, Executive Director, Rutland Redevelopment Authority

David White, President, White & Burke Real Estate Investment Advisors

October 24, 2019

APPENDIX 4 MEHC SWOT ANALYSIS



APPENDIX 4 MEHC SWOT ANALYSIS

Strengths

Sense of Place

- Geographical attributes
- Respect for environment, open spaces and built

Cultural attributes that support entrepreneurship

Diverse Economy and Social Service Agency

An ecosystem of attributes that generates tourism and economic growth:

- College and CCV
- Vermont Brand
- Craft Beverages
- Outdoor Recreation
- Cultural attractions
- Agricultural Variety

Local Airport and Train Infrastructure

Strong School System and Public Support

Shire town Strengths

- Regional Hub for Governmental Agencies
- Library
- MUHS | MUMS | HCC

Strong School System and Public Support

Socioeconomic Diversity

Inter-connected Community Assets and Organizations

Weaknesses

Lack of resources to attract and retain highly skilled workers

- Childcare
- Housing (stock < \$250K or comparative rental property)
- Opportunity for working partners

Lack of resources for low to moderate income workers

- Childcare (capacity)
- Training
- Transportation
- Housing
- Opportunity for working partners

Perceived Lack of Access to Parking

Access to affordable retail

- Narrow range of available consumer staples/retail goods

Childcare Shortage (especially infant care)

Increasing Income Disparity

Minimal resources to support long range planning and current data collection

APPENDIX 4 MEHC SWOT ANALYSIS

Opportunities

[International Baccalaureate](#) Offering -

A future defined brand could improve awareness

An integrated approach to our strengths could lead to greater development / attractiveness

Take advantage of good development opportunities available

Being ready to take immediate advantage of future funding opportunities. (economic / childcare / housing, etc)

General demand for pop/up/start up/art entrepreneurial offerings

College interest and ability to support downtown

demand for nightlife offerings

Growing retirement contributing segment

Growing acceptance of remote working

Focus on Vermont renewable energy industries

Future train access

Identify trends of future funding opportunities and plan accordingly

Threats

Future Demographic Challenge

Concerns over current academic approach

Lack of awareness and availability of resources necessary for and desired by entrepreneurs

Potential for “inaction”

Cost of living increasing at a greater rate than ability for employers to pay appropriate wages

Potential inability for appropriate future broadband

Low unemployment rate

Varying perception of Middlebury’s identity, vision/ambition, strengths

Climate change impact on our current strengths

Short term, extended impact on downtown businesses

(12 - 14 weeks of no access | May 4th 2020 start)

Decreasing interest in volunteering

Legislative platform

APPENDIX 5

EXAMPLES OF MUNICIPAL ECONOMIC DEVELOPMENT STRUCTURES

Montpelier

NON-PROFIT ENTITY; NON-MUNICIPAL POSITION; FUNDING FROM CITY AND LOCAL OPTION TAX

- Allocated funds for a comprehensive Economic Development Plan.
- Hired a consultant who did 50-60 individual interviews as opposed to just taking public input, since a lot of people don't want to speak at a public meeting. Focused on the younger population.
- Created a non-profit organization that would use funding from the town for a full-time staff position to do economic development. This eliminated the politics and process involved with being a town position.
- Created a local option tax and the funds were directed towards the new economic development position.

Springfield

JOINT EFFORT OF LOCAL/REGIONAL ENTITIES

- No staff person, work is being done by Select Board, "Springfield on the Move" group, chamber of commerce and regional development corporation.
- Did a Downtown Master Plan with economic development components. Created a working document that is their "bible" and is a good example of working together towards a common goal.
- The Town has purchased vacant property to make sure it gets developed properly and the downtown group and community development organization have worked with Housing Vermont on a project.

Bellows Falls

LOCAL DEVELOPMENT CORP

- Has a Town Development Corporation with part-time staff (20 hours).
- Brought together individual property owners and businesses with available space, potential investors and developers, State and regional officials and toured the spaces that were available and what the available asserts were. Do your homework and know what's available.

Wilmington

CONTRACTED STAFF

- Contracted with a person to do economic development work 2 days a week
- Wilmington Works, a group of volunteers created to support a vital downtown, works with contracted economic staff person and put together a Business Plan Competition and the two winning plans would each get \$10,000 to open or expand a business. The prize money was donated by an individual and not tax dollars.

APPENDIX 5

EXAMPLES OF MUNICIPAL ECONOMIC DEVELOPMENT STRUCTURES

Bennington

MUNICIPAL COMMUNITY DEVELOPMENT DIRECTOR AND CONTRACT WITH RDC

- Went through planning process and have an Economic Development Plan in place.
- Hired Community Development Director and contracted with Bennington County Industrial Corporation to help with economic development projects.

Cabot

NON-PROFIT ENTITY

- Hired a consultant to help with a Revitalization Plan.
- Has non-profit group with part-time staff.
- Bought two properties and fixed them up and are trying to find the right users.

Albany

COMMUNITY-BASED ENTITY

- A community organization bought property after the General Store burned. They started a non-profit to purchase the property and then created a community supported enterprise, so they own the assets and find a business operator to run the business at a reasonable rate. The Town offered a tax abatement for up to three-year if the business met certain criteria. The advantage to this is if the business operator fails, you don't lose the assets and another business can be found.

Randolph

LOCAL DEVELOPMENT CORP

Bethel

COMMUNITY-BASED ORGANIZATION