

Final Draft

Final and adopted version.
2006 Update Follows...

Working Draft: Long-Term Strategic Economic Development Plan

Greater Franklin County Region

Executive Summary

Draft

Funded By:

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Prepared for:

**Franklin County Industrial Development Corporation
Town of ST Albans, Vermont
Northwest Workforce Investment Board
Northwest Regional Planning Commission**

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Introduction

The effort to develop regional strategic economic development plans in Vermont began back in 1995 when the Commissioner of the Vermont Economic Development initiated a process to reconfigure the Department's own approach to economic development. The State's strategic plan was subsequently revised and published in the Spring of 1997, and that strategic plan re-write gave rise to the passage economic development incentives of the Vermont Economic Progress Council (VEPC) in 1998 that followed the passage of Act 60 in the previous year.

Undertaking this regional strategic planning effort begins the next logical step in the overall strategic economic development planning effort in Vermont. This planning effort represents the dual opportunity to produce a well-thought out strategic economic development plan for the region, while at the same time having real, "bottom-up" input and influence on the strategic underpinnings of the State's overall strategic plan.

The specific purpose of this effort for Franklin County is to determine where the region wants to go and how it believes it can best get there. It is hoped that this effort will lay the groundwork for specific regional initiatives and resource allocations that will lead to an effective plan for action. This process was comprised of five distinct phases, including: (1) review of past studies and strategic planning efforts for relevance to this effort, (2) analytic phase—which is composed of the economic assessment and the economic development resources assessment, (3) primary research phase—where in-depth company interviews are conducted to gain an understanding of the keys to regional economic success, (4) synthesis phase—where the results of the research and analysis are compiled and analyzed, and (5) strategy development phase—where an inventory of potential strategies is developed, prioritized, and refined. From that work, a process was developed to continuously update and further refine this initial, "living" plan.

Why Does the Economy Need Economic Development?

Economic development means many things to many people. To some it means creating new job opportunities. To others, it means increasing the grand list of individual communities. To others, it means growth and the process of taking more and more of the world's resources that inevitably leads to the degradation of the environment. Careful consideration of the term economic development finds that it encompasses much more than just creating additional businesses and jobs, or adding to a municipality's tax base. Real, more-enlightened economic development is about "*building a community=s capacity for shared and sustainable improvements in the economic well-being of residents.*"¹ Under this definition, it is not just access to any job. It is about access to good jobs, ones that can support an adequate standard of living for all residents of a state, region, or community. It is also about continuous and sustainable improvements in the internal functioning of the economy, where its structural underpinnings are made

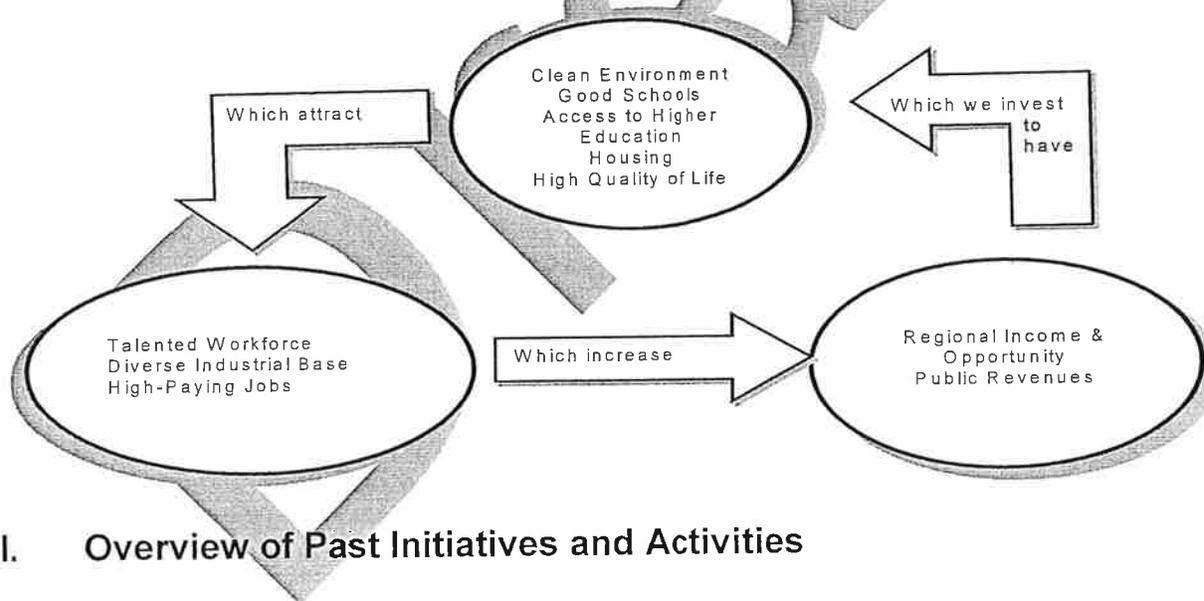
¹ From Local Partnerships for Economic Development, Executive Office of Communities & Development, State of Massachusetts (1994).

stronger without sacrificing quality of life.

Continuous improvement in the economy is important for two reasons. First, it is important because the economy must continually renew itself as individual businesses evolve, and some are lost in the natural economic selection process. New firms and new industries are needed to replace those that inevitably fail, so the “economic organism” can renew and refresh itself so that sustainable improvement in the economic well-being of the economy’s residents can in fact be achieved. The second reason that real and more-enlightened economic development is needed is because it is the financial life’s blood of our society. A healthy, vital and sustainable economy is what is required to provide the public resources for a strong social safety net, the protection of the environment, and high-quality public services, quality roads, good schools, and access to advanced training and higher education. All of those are attributes of the superior quality of life and strong communities. All are key ingredients to quality of life in Franklin County, and the ability to have a high performance regional economy.

This interrelationship is illustrated by the “Circle of Prosperity” (see below). Economic development is our emphasis in this plan because without it, it will be difficult, if not impossible, to have the quality of life that all residents strive for in Franklin County.

Figure 1. The Circle of Prosperity



II. Overview of Past Initiatives and Activities

1. Review of Past Initiatives

The Franklin County region has been the subject of a considerable amount of study over the years. Because this plan did not want to re-cover “old ground,” a review of previous studies and plans was undertaken to glean all information and data that were relevant to this effort. Organizations throughout the Franklin County region have been and continue to work on various aspects of the economic development challenges of the region. These efforts are indicative of the significant level of volunteer energy and resources that have been and continue to be expended.

The full plan provides an effort-by-effort is a synopsis of those past studies and their significance to economic development in the region.

2. Validating a Regional Economic Development Vision and Mission Statement

A second important part of this review of past work and initiatives is a review of past work and consensus relating to the desired future path or direction for the Franklin County region as a whole or for key communities in the region. In this effort's never-ending effort to avoid duplicating already completed work or simply "re-inventing the wheel," several past studies and initiatives were reviewed with respect to past visioning work in the region (see above review of Past Initiatives in the full plan). The following sets forth a recommended economic development vision for the Franklin County region drawing heavily upon the multitude of past work completed in various parts of the county:

Improve the quality of life of families in our region and retain more of our region's young people in the future by achieving a diverse base of globally competitive, successful businesses that offer sustainable and challenging job opportunities for regional residents.

Achieving that vision will require hard work and dedication on that part of many regional residents, business people and other stakeholders in a successful Franklin County regional economy with a high quality of life. The Steering Committee felt that this could only be achieved through a region-wide, collaborative effort on the part of many groups and regional residents as well. This is summarized in the following regional mission statement:

Through a focused and collaborative region-wide effort, work to strengthen the existing regional base of key employers while searching out and capitalizing on new business opportunities that offer challenging and good-paying job opportunities for regional residents and their families.

With that vision and mission statement, the next step was to translate the language of the vision into a succinct and measurable objective for new job opportunities in the region. The following table that includes a net job growth target describes that objective.

Table 1: Job Target Estimate

Franklin County Job Growth Objective 2003-2012	
Number of new key industry jobs needed by 2012 to keep Franklin County at year 2000 share	681
Number of new key industry jobs needed to replace jobs lost (2000-2003)	199
Total new key industry job target	880

III. Analysis of Economic Performance/Structure

The first step in building a regional strategic economic development plan is gathering the fact to complete a thorough and objective analysis of the historic performance and structure of the region's economy—an economic assessment. The objectives of this economic assessment of the Franklin County regional economy are four-fold: (1) to increase the understanding of the regional economy, (2) to understand the factors underlying the economic performance of the region, (3) to highlight trends that will impact economic growth over next 5, 10 and 20 years, and (4) to identify where to focus economic development and competitiveness-building efforts for the purpose of maximizing the potential for economic success in the region.

Summary of Macro-Trends

Today, several forces are at work on the Franklin County regional economy that are having far-reaching effects on the county. These include:

Macro Trend #1: Markets are becoming increasingly global...

The world is becoming more integrated economically and the region has become less and less isolated (protected) from national and global economic events. Economic development policy must be made considering national—if not global—economic factors impacting many of the region's key employers. Policy therefore cannot be made in a vacuum of these still-unfolding, extra-regional developments.

Macro Trend #2: Technological innovation is advancing rapidly...

Technological innovation is making us more productive and changing the way goods and services are made, allowing both the work force labor and investment dollars to make more with less. Encouraging continued growth in productivity is a key to the regional economy's ability to compete.

Macro Trend #3: The "New Economy" has fundamentally changed the competitive landscape...

The 'new economy' has simultaneously opened the region to new economic opportunities and exposed the region to new economic risks. This will challenge the companies in the region to continuously improve its ability to apply knowledge and technology to the production process better than its competitors.

Macro Trend #4: The population is aging although Franklin County's population is aging at a slightly slower rate than Vermont's....

Franklin County is aging more slowly than the state or the nation. This trend means that the regional pool of potential workers may not experience the same labor force supply pressures that the state as a whole or other regions may experience less of a shortfall in an available labor force into the future.

Macro Trends #5: The aging Baby-Boom population is more demanding of quality-of-life...

Aging "Baby-Boomers" are mobile and demand more and better leisure time activities, recreational facilities, and safe communities that contribute to a high quality-of-life. High quality-of-life is increasingly becoming the key to a region being able to attract and retain a quality work force.

Regional Situation-Performance Analysis

1. Commuting Patterns

The first step in this process was to assess the regional labor market. These data indicated the following:

- a. Average travel times of Fairfax, Fairfield, Fletcher, and Georgia indicate that while some commuters from these are towns traveling to St. Albans City, many are also traveling to jobs located in employment centers in Chittenden County.
- b. Job import-exports data also show that St. Albans City imports roughly the same number of workers as the town of St. Albans exports. Franklin County also exports a total of 11,406 resident workers out of the county. That accounts for 49% of the employed population in Franklin County that is aged 16-64 years.
- c. These data show that the county has an available work force living within its borders to fill jobs, if only those job opportunities were available.

2. Regional Economic Situation-Performance Analysis

Following the review of the commuting data, this effort undertook an economic-demographic performance-trend analysis for Franklin County. The following section highlights the findings of this analysis.

- a. Franklin County has experienced a significantly higher rate of growth in jobs than the state as a whole, 2.9% per year versus 2.2% per year, respectively. The decade of the 1990s accounts for all of this relative job growth difference, where Franklin County averaged almost 3.0% per year during the decade in comparison to the just over 1.0% per year job growth rate average for the state as a whole. Franklin County's total job growth rate was slightly slower than the state average for the 1981-89 period as well.
- b. Even though the region's job growth rate exceeded the statewide average, growth in average wages has only mirrored that of the state for all time periods. Franklin County's average annual rate of growth in wage levels between 1981-2000 was 4.2% per year, a level that was just slightly below state's growth rate of 4.3% per year.
- c. Franklin County's above average job growth combined with its "only" average growth in its wages has resulted in a one and six-tenths percentage point decline in the Franklin County average wage level relative to the state average wage. Over the last two business cycles, Franklin County's average wage has declined from 89.8% of the state average in 1981 to 88.2% of the state average in 2000.

- d. Franklin County's personal income growth has closely mirrored both the Vermont and the U. S. average. Because personal income is a broader measure than wages,² this suggests that non-wage income growth in Franklin County has also been roughly the same as it has been in Vermont and the U.S.
- e. Franklin County's personal income growth was slower through the 1990s than it was during the 1980s. From 1981-89, personal income growth averaged 8.1% versus roughly 5% during the 1990s. This slower growth pattern was also experienced by the state which experienced a 4.8% per year growth in personal income through the 1990s versus an 8.7% per year growth rate through the 1980s. The lower inflation rates of the 1990s and the long, relatively jobless road to recovery from the late-1980s-early-1990s difficult recession no doubt contributed to the lower nominal income growth rates experienced during the 1990s.
- f. Franklin County's average annual growth in proprietor's income growth in Franklin County lagged behind state and U.S. averages between 1993-2000. The U.S.' average annual growth in proprietor's income between 1993-2000 was 6.5%, significantly greater than the growth rate in both Vermont's (at 4.7% per year), and in Franklin County's (at 3.7% per year).
- g. From an economic development perspective, these data suggest that while the average annual job growth in Franklin County over the last two business cycles has exceeded that of the state, the growth in average annual wages has not. This indicates that the majority of the job growth in Franklin County over the last two business cycles has been in job categories with relatively lower average wages. In addition, these data also show that while the level of entrepreneurial activity is high in Franklin County, the level of economic reward from these pursuits is lagging. This suggests a "problem with wages-earnings levels" exists in the region.
- h. The slower increase in households with retirement income in the County indicates that the aging of the population that is occurring globally and nationally is not occurring as quickly in Franklin County. This is in part attributable to the spreading out of the working age population from Chittenden County.

3. Issues Related to Economic Structure

The composition of the Franklin County economy today is a reflection of the changes that have occurred in the region's economic base over the last two business cycles. Like the rest of the State, the region's dependence on manufacturing has declined and its dependence on Services-producing sectors and the public sector (e.g. the federal INS) has increased. More specifically, these findings included:

- a. Between 1981 and 2000, Franklin County's employment structure changed dramatically in two sectors: Services and Manufacturing. The share of total jobs represented by the Services sector increased by ten percentage points over the 1981-2000 period, while the share of total jobs represented by the Manufacturing sector declined by twelve percentage points over the same 1981-2000 period. In calendar year 2000, the share of total jobs in Services increased to 30% of total private jobs in calendar 2000, coinciding with a large twelve percentage point loss in share in the Manufacturing sector.
- b. Within the Services sector, Health Services has historically played a significant role in the region, a role it continues to play today. Although Health Services accounts for a smaller percentage of the Services sector employment in 2000 than it did in 1981 (43.1% in 1981 versus 53.1% in

² Personal income is comprised of more than just wages. It also contains items such as retirement income, other forms of transfer payments, and income from dividends, interest and rents.

- 2000), Health Services continues to be a significant regional employment sector, accounting for 12.9% of total private employment in 2000.
- c. Within the Manufacturing sector in the region, Durable Goods Manufacturing experienced a significant 17.6 percentage point decline in share over the 1981-2000 period. Conversely, the Nondurables Manufacturing sector actually experienced an increase in share from 55.1% of manufacturing jobs in 1981 to 72.7% in 2000.
 - d. In 2000, only two sectors within the Nondurables category accounted for over 4 of every 5 jobs in this category in the Franklin County region. Food Products manufacturing with a total of 1,211 jobs in 2000 ranked as the largest job category. Paper Products, with a total of 672 jobs, ranked as the second largest category, and has historically had a direct tie or relationship to the former Nondurables Manufacturing category.
 - e. Franklin County also ranks 3rd in the state in terms of the share of its total jobs in farm employment. This also represents a logical expectation given the farming sector's connection to the Food manufacturing sector discussed above.
 - f. As a result, Franklin County has experienced considerable structural shift in its economy over the last two business cycles. It has followed the national and state trend of continuing increases in Services Sector jobs, both in terms of the absolute number of jobs and in terms of the share of total private sector jobs. The structural shift of the Services sector, specifically the increase in Business Services, appears to reflect the continued integration of Franklin County into a larger northwestern Vermont regional economy and the growth in international trade with Canada.
 - g. Franklin County lags behind the state average in the percentage of the population with Bachelor's degrees and Ph.D.s. Franklin County's over 25 years population with a Bachelor's degree fell short of the state's by 6.8 percentage points, 11.5% versus 18.3%. The gap between Franklin County and the state in the percentage of the over 25 population with Graduate or Professional degrees is almost as large, 6.0%, with Franklin County's percentage at approximately 5.1% and the state at 11.1%.
 - h. Franklin County showed faster growth in housing units than the state 1990-2000 with an average annual rate of 1.1% per year versus a rate of 0.8% per year. Not surprisingly, Franklin County also shows higher rates of owner occupancy than renter occupancy.
 - i. The good news is that Franklin County shows a lower percentage of total households paying 30.0% or more of their household income in housing costs in all income groups as compared to the state, in 1990 as well as 2000. The bad news is that while both the state's and Franklin County's percentages increased between 1990 and 2000, the County saw larger percentage point increases than did the state. From an economic development perspective, Franklin County's increasing share of the under 40 population reflects its relatively lower housing prices and its increasing role as a residential area for the employment centers throughout the region.

4. Identifying the Region's Key Industries

With that analysis as background, the next step in this analytical process involved identifying an initial list of key sectors in the regional economy. The results of this filtering process resulted in the identification of nine candidate sectors for this key industry designation. In addition, the Federal Government category was included in this list because of the employment importance of the Immigration and Naturalization Service (INS) in the region. The region's proximity to the Canadian border and the major point of entry-exit between the two countries makes such an employer, such as the INS, a "key industry," even if not in the traditional sense of economic development. This listing also re-

reflects Franklin County's geographic positioning as a corridor for the movement of people and goods from Canada to the U.S. and vice versa. Table 2. is a "best so far" list of the regional key industries grouped together by common characteristics.

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Table 2. “Best So Far” List of Selected Key Industries by Enterprise Grouping

Specialty Food Products

Defined as: Product development, marketing and/or distribution functions associated with food products targeted to niche consumer markets.

Representative Regional Firms: Ben & Jerry’s Homemade, Barry Callebaut, Franklin Foods, ST Albans Cooperative Wyeth Nutritionals,

Support for Production Agriculture:

Defined as: Companies involved in the manufacture, design and sales of feed for livestock for animals in production agriculture and for pets.

Representative Regional Firms: Blue Seal Feeds, Cargill Animal Nutrition

Engineered Metal Products and Design Support

Defined as: Fabricated specialty metal goods including the engineering and design required to satisfy customer specific needs and specifications.

Representative Regional Firms: Vermont Precision Tools, Yankee Cutting Tools, New England Container, Leader Evaporator, Vermont Fasteners

Engineered Electric-Electronic Components

Defined as: Electrical components for storing electrical power, transmitting electricity and wiring devices.

Regional Representative Firms: Energizer

Engineered Medical-Products

Defined as: Specialized components with medical applications.

Regional Representative Firms: Mylan Technologies

Warehousing-Storage and Shipping-Transportation

Defined as: Transportation of cargo, warehousing and storage for goods, support activities related to modes of transportation

Representative Regional Firms: AN Deringer, Interexpress, Rail-America

Intermediate Paper Products

Defined as: Manufacture of paper containers and other products from wood-based raw materials (including pulp) for use by other manufacturing industries and the restaurant trade.

Regional Representative Firms: Rock-Tenn Missisquoi Mill, Fonda Group

Medical Services

Defined as: Specialized medical treatment facilities

Representative Regional Firms: Northwestern Medical Center

Travel-Tourism and Hospitality

Defined as: Destination resorts requiring overnight stay and/or tourism assets that predominately accommodate day-trip visitors who travel distances of greater than 50 miles one-way

Regional Representative Firms: Tyler Place Resort

Other—Not Elsewhere Categorized

Defined as: Federal government employment including various national security functions.

Regional Firms: Immigration and Naturalization Service; Border Patrol

IV. Economic Development Resources Inventory Assessment

As part of this strategic planning effort, the project Steering Committee undertook an inventory of, and then an assessment of, the economic development resources in the greater Franklin County region. The purpose is to identify what the region currently has to support economic development, business growth and job creation in order to determine: (1) the strengths of the region in this regard, (2) develop an understanding of what the region was currently and potentially lacking in the area of economic development resources, and/or (3) identify those resource areas that need improvement though both effort—and potentially—through economic development policy.

The Rating Process:

To rate the economic development resources of the Franklin County region, the Steering Committee started with a template that utilized eight resource categories. They were as follows:

- Human Capital
- Financial Resources
- Natural and Built Resources
- Physical Infrastructure
- Industrial/Commercial Site Inventory
- Technology Resources
- Institutional Resources

The Steering Committee created an inventory of all the resources important to economic development and then rated each resource area in their own categories by a comprehensive set of major attributes as listed below:

- **Availability/Access**
- **Cost**
- **Sustainability**
- **Quality**

Summary of Findings:

Overall, the Steering Committee felt the Franklin County regional economy was in a somewhat positive relative position in terms of its regional economic development resources. The Franklin County region was rated to have some significant economic development resources strengths, but also a few significant exceptions where it was concluded that the region could make significant improvement. These strengths and areas for improvement are summarized as follows:

STRENGTHS:

- An available workforce with a strong work ethic that is rooted in the region's history with production agriculture.
- Access to very good quality and affordable educational resources.
- Generally available and affordable telecommunications.
- Superb environmental quality and access to high quality recreational resources—including Lake Champlain.
- Generally good quality elementary and secondary schools.

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- Good access to high quality health care, and generally affordable and young housing stock.
- An excellent quality of life for families.
- Good access to major market areas, including the Burlington, Vermont area and Quebec.
- Reasonable access to affordable capital, but primarily for debt capital sources.
- Decent incentives and grant opportunities for business expansion in the region.
- Willing and active local governments pursuing economic development.

WEAKNESSES:

- Limited availability of skilled workforce for high value-added services—the work force is too “blue-collar” oriented for the evolving economy.
- A somewhat limited supply of moderate cost industrial sites with the necessary in-place infrastructure to support the region’s key industry sectors.
- Spot difficulties with waste water treatment in some areas of the region, but particularly in the eastern portion of the Franklin County region.
- Limited equity and venture capital resources for most of the particularly outside the region’s existing key industry business base.
- Varying perceptions of elementary-secondary educational quality in the region.
- Limited resources for technology related companies dependent upon higher educational resources.

The full assessment is presented in the full or complete version of the plan.

V. The Factors Underlying Regional Economic Performance

As part of this effort to revitalize the Franklin County regional economy, a significant research effort was undertaken to identify strategic sectors of the regional economy experiencing a combination of employment growth success and wage growth success. The underlying purpose of completing such an analysis was to develop a profile of a strategic regional employer. The economic development policy reasoning underpinning this part of the strategic development effort was to achieve the proper focus for regional economic development efforts. By achieving “focus,” Steering Committee means marshalling a significant portion of the region’s economic development resources toward strategic parts of the regional economy where efforts had the most promise for yielding the greatest return on the expenditure of the region’s increasingly scarce economic development resources.

Properly anticipating how the functional profile of a successful regional employer will change and how the future competitiveness needs of major regional employers will evolve begins with the recognition that “competitiveness” is a constantly evolving process. This research indeed showed that competitiveness is not a static condition. Although this profile will change over time, the following was determined to be the current functional profile of a successful strategic Franklin County employer. Armed with agreement and a better understanding of the competitiveness aspects of this profile, this understanding was thought to be an important link for designing appropriately prioritized and effective economic development policies. The strategies below (Section VIII) address the issue of the need for continuous updating.

Recommended Actions:

- a. Refine-update this plan on an on-going basis with the region's economic development partners and utilize the plan as a way to educate the public as to the importance of a sustained effort to build sustainable competitiveness in key regional industries-businesses that comprise the region's "economic engines."

Strategy #1—Build a Workforce to Make A Competitive Difference

Work cooperatively with local, regional, and state workforce development-training partners assure that the required skills sets and work ethic are widely available to employers in the region, with particular emphasis on the basic and advanced skill sets needed by Franklin County's current and future key economic driver sectors.

Work force "quality" and a work force "quantity" are crucial elements of a competitive regional economy in the future. There are both skill issues in the Franklin County region—just as there are in many regions and in the State of Vermont overall—and quantity issues going forward. With respect to the former, new approaches are needed to develop and better match necessary skills with current and prospective needs. Actions should be focused on specific steps to improve the quality of the regional work force for both the existing labor force and future workers. With respect to the second, the region needs to work to find ways to increase the number of "high quality" job opportunities in order to retain-capture a more significant proportion of the work force that currently commutes to the greater Burlington-South Burlington-Essex Junction employment center. In addition, the working committee also felt that progress had to be made to effectively deal with preparation issues, such as teamwork, communication, math, and science in the work force as well.

The working group recognizes there is no "short-term" solution to the region's on-going workforce development/education-training challenge. The working group therefore finds that a long-term, consistent effort to aggressively address both the region's workforce quality and quantity concerns will be critical to the competitiveness-success of all Franklin County businesses, but is especially important for the county's base of key economic-driver industries. It also will be an important part of the region's ability to diversify its job base by attracting and growing new businesses in sectors that are presently not well represented in the county's existing job base, but offer promising prospects for success in the future.

The working group believes that will require even closer cooperation and more give-and-take communication between the region's businesses and decision-makers in the region's K-12 school system. The existing time commitments of both regional business people and regional school administrators are already high. Therefore, the exchange of high-quality information needs to be done efficient and effectively in order to facilitate this crucially important exchange of information and ideas.

Recommended Actions:

- a. **Work with regional-state workforce-training providers-programs to help assure that Franklin County's current economic-driver sectors and the region's promising sectors of the future are integrated into, and actions to meet the specific "competitiveness" needs of those sectors are incorporated into the strategic plan**

of the regional WIB—the Franklin-Grand Isle Workforce Investment Board. That education and training plan seeks to establish specific links between strategic economic development priorities and work force training-education needs. These linkages need to be updated or fine-tuned as a direct result of this strategic planning effort.

- a. In consultation with regional economic development services providers and regional businesses, assist in the design, re-design, and implementation training-work force development approaches that are necessary for future competitive success in the county. Work to assure that both the current and the future work force of the county are equipped with: (1) necessary basic and advanced skills—and particularly those that are necessary for the region’s key economic driver sectors, and (2) an “aligned” work ethic (e.g. a better meshing between the definition of individual and company success for younger workers, development of appropriate “team skills” and an ability to work effectively in a cooperative company environment, etc.) necessary for the region’s key sectors to continue to succeed in a global market place.
- c. Work creatively with business and education to design creative and interesting programs to improve student career awareness, career exploration, and the knowledge and skills needed for success in the modern workplace. The concept for this recommended step is already known in the region and could be broadened throughout the region by building on successful models already in the region (such as the “Coop Program” in Allied Health, “Learn To Earn,” mentoring-apprenticeship programs, and field-based learning programs). This recommended action would also include efforts to change current workplace regulations that discourage young people from direct participation in the workplace. The working committee also felt this situation was very much a two-way street where better communication between business leaders and educators was key to facilitate the exchange of information between the K-12 system and the long-term needs of the regional work force.
- d. The education and skills-training requirements of the regional labor force are increasing rapidly, and the region needs to collaboratively expand access to secondary and post-secondary educational programs. This effort should include expanding access to higher skills training and degree programs, and to adult education from institutions of higher education in northwest Vermont and beyond (e.g. Cornell and potentially Dartmouth) that support the region’s key, economic driver sectors as identified in this plan.
- e. Working with regional partners and the Vermont Department of Employment & Training, design a way to sort through the information-overload that currently exists today in web-based labor market information. The region would ideally have a single, understandable, electronic or web-based information clearing-house that will assist in matching available workers with the needs of regional employers—emphasizing the key economic driver sectors of the regional economy.
- f. Given the fact that the clear majority of post-High School work force education-training is undertaken by regional employers themselves, the region needs an approach that improves access to public sector and grant funds to supplement train-

ing-work force education funds and better leverages funds that are currently invested by employers in the region. This is important because competition for available state funds in the Vermont Training Program is high and increasing, and many training needs in the region are not funded by that State program. Further, federal re-training funds-resources are often encumbered by regulations-requirements (e.g. that federal funding for re-employment opportunities have salary-earnings levels that are 80% of the workers previous earnings-salaries) that may not be consistent with the changing labor market realities of the region.

Strategy #2: Retain a Vibrant Base of Quality Jobs

Design and implement an aggressive and targeted retention program focused on regional economic driver sectors and existing significant Franklin County employers.

Helping existing businesses to grow, aggressively defending the regional job base at existing businesses (job retention), and a highly-targeted, business recruitment program are all important parts of an integrated regional, economic development strategy. This approach would ideally include a mix of short-term and long-term initiatives utilizing the County's economic development strengths-assets, such as its superior "quality of life," in specific ways.

This approach would be comprised of the following priorities: (1) work aggressively to retain the existing regional job base through the provision of strategic trouble-shooting services and advocacy for all Franklin County businesses with local, regional, and state institutions, (2) provide technical assistance services, with emphasis on the County's key, economic driver employers looking to expand, and (3) develop and implement a strategic recruitment program that builds on Franklin County's current assets and simultaneously identifies and pursues the best future recruitment opportunities to help further diversify the County's economy. Under the third element of this retention-recruitment strategy, the diversity of the County economy would be built by identifying potential employers that have the functional characteristics required to succeed in the Franklin County region.

Recommended Actions:

- a. **Over the short-term, further solidify CEO involvement in the newly formed Franklin Regional Business Roundtable and utilize this organization-expertise to build credibility for a focused, "consensus" strategic economic development agenda for Franklin County, including: (1) the development of a pro-business agenda for the county—including a mix of business climate, work force education-training, and infrastructure development issues,³ and (2) provide policy guidance to assist regional economic development partners in the implementation of this plan's business retention-expansion-recruitment efforts.**
- b. **Complete an inventory of tools and programs available to all Franklin County companies to assist them with all aspects of running, expanding, or locating their businesses in Franklin County. This inventory should be assembled, housed, and periodically updated (not less than every 90 days) in a single source location be-**

³ Ideally, this would also include support for the development of a critical mass of retail options in the county to support a "higher" quality of life and address "bedroom community" concerns.

cause it is vital that existing Franklin County businesses understand what is available to them to help their businesses and where those services can be found at the time they require such information in their management decision making.

- b. Using information from a. and b. above, initiate a short-term business contact-visitation program to augment existing FCIC staff efforts designed to have meaningful contact with all decision-maker representatives of all of the Franklin County region's current economic driver companies on a structured, systematic basis. In the opinion of the Sub-committee, nothing is an adequate substitute for "face-to-face" discussions, and this contact will prove useful in gaining a detailed understanding about what is going on at those major "economic engine" companies. It also will be helpful in gaining a further understanding of the needs and goals of the County's successful companies."

A serious dialogue with the region's strategic employers will also provide a secondary benefit because these companies will understand the "caring about their competitiveness future" that such a program will tangibly demonstrate. This effort may also be important to establishing an on-going, non-threatening dialogue (especially if these meetings include state or regional "officials") with these companies while looking carefully for opportunities to learn more about these companies' competitive needs, and to address any issues of concern where assistance may offer opportunities for further growth.

- d. Based on a. and b. above, develop protocols—including referral networks of business contacts for specific and needed expertise in the County—to efficiently handle requests for technical and trouble-shooting assistance from Franklin County businesses.

Strategy #3: Strategic Recruitment for a Vibrant Base of Quality Jobs to Help Diversify the Regional Economy

Design and implement an aggressive and targeted recruitment program focused on regional economic driver sectors and existing significant Franklin County employers.

Doing more of "the same good thing" has its limits over the longer-term. Therefore, the region needs a targeted recruitment strategy to stimulate and support of promising new businesses, entrepreneurship, and startups that represent the type of companies that are the region's Vermont Fasteners, Ben & Jerry's, Franklin Foods, Fonda Containers, and Vermont Fasteners of the future. This recruitment approach will enable Franklin County to generate new enterprise, focusing on those types of companies that will grow to replace the declining sectors of the region. The thrust of this approach is to strategically broaden its economic-job base with recruitment efforts targeted at new, currently under-represented industries in Franklin County that: (1) have a competitiveness profile that "fits" the current company profile for economic success, or (2) utilize functionally similar factors that currently successful regional companies employ. Further, a recruitment strategy needs short-term, intermediate term, and long-term components, and should leverage other state and regional efforts to assure maximum effectiveness and the highest possible return on regional investments in economic development.

Recommended Actions:

- a. Expand the inventory of available tools and programs available for economic-business development in the County to include those tools regional economic development toolbox that could be employed to strategically recruit candidate companies to Franklin County.
- b. Undertake a coordinated recruitment program to help diversify the Franklin County job base through the attraction of quality employers into Franklin County that have the functional-other competitiveness characteristics that offer good potential for sustained success for the region. These candidate companies would ideally include a mix of companies in currently successful sectors and those in high-growth potential sectors that represent “future key economic driver sectors” that are currently under-represented in the structure of Franklin County’s economy.
- c. Using information from Part 1. Retention-Expansion Efforts and Actions a. and b. of Part 2. Recruitment above, develop an updated, more specialized “Cross-Border” recruitment approach for Canadian companies. The geographic emphasis would be to encourage a “satellite approach” for Canadian companies—with emphasis on the Burlington-ST Jean-Montreal corridor “Buy America⁴” approach to expansion-recruitment with applicability to the current and prospective strategic “economic engine” sectors of the Franklin County regional economy.
- d. Investigate and develop strategic collaborations within the broader Franklin County-Grand Isle County-Chittenden County “Lake Champlain Basin” region to assist in better leveraging Franklin County’s economic development resources for business recruitment with other partners with a “common tri-county interest.”
- e. Undertake a strategic recruitment approach that capitalizes on the region’s long-standing heritage and substantial existing base of production agriculture by identifying and accessing new markets (and technologies) for high value-added products that assist in the further diversification of the region’s farm base.

Strategy #4: Promote Infrastructure Readiness for a High Performance Franklin County Economy

Develop and continuously improve the infrastructure assets of the region to help improve and sustain regional competitiveness and a high quality of life.

The availability of high-quality infrastructure to move things, people, and information into and out of the Franklin County region is essential to attracting and retaining a diverse base of globally-competitive businesses. This is especially true if regional businesses—especially those in the region’s present and future mix of key dollar-importing businesses—are going to be able to effectively compete on the world stage from the relatively geographically remote⁵ location of Franklin County, Vermont within the United States.

⁴ For example, to build on the region’s recent success in securing federal budget support for homeland security and/or military contracts.

⁵ That is, remote from the growing final consumer markets in the Southeast and Western portions of the United States, Asia, and Latin America.

Recommended Actions:

- a. Complete a comprehensive inventory of the region's key economic development and other related business-support infrastructure—including both traditional (e.g. site inventory, surface transportation, air transportation, waste water, electric power, etc.) and non-traditional infrastructure assets (e.g. broad-band assets, cellular service, web-sites, etc.). This inventory should be categorized on a town-by-town basis within Franklin County with particular emphasis on east-west differences.
- b. Identify gaps in needed economic development and business support infrastructure. Design regional strategies-steps to address any gaps or deficiencies in those identified critical economic development infrastructure assets and design a strategy for asset maintenance on a "region-wide systems" basis.
- c. Develop telecommunications infrastructure investment plan with the objective of having both Franklin County businesses and households on both sides of the county "affordably" connected to the world through "state-of-the-art" telecommunications technology (e.g. DSL, cable, etc.) within the next 5 calendar years.

Strategy #5: Create a Permit-Development Review Climate of Efficiency and Predictability

Work cooperatively to streamline the region's development review and permitting processes to build regional competitive advantage.

Given the news stories regarding development-permit review, the region needs a coordinated, streamlining approach to facilitate the creation of a more predictable and fair development-permitting review process in the region. This plan therefore recommends that a multi-faceted approach should be developed and implemented to help streamline development review-permitting in the region. This approach would also assist in the creation of a more cooperative-collaborative business development climate, and efficient and fair development-permitting review throughout Franklin County.

As part of this approach, a development review-permit communications strategy should be developed and implemented to facilitate the smooth and efficient "handling" of economic development opportunities-applications and to promote greater understanding of development-growth issues within the region. The region needs to assess, organize, and improve regional economic-business development services-resources so that good opportunities are afforded the needed support services, and the development review process on all levels—including local, Act 250, and state-level reviews—is understandable, fair, predictable, and efficient.

Recommended Actions:

- a. Create a "Development Process Facilitation Task Force⁶" to make recommendations for improving: (1) the dissemination of factual information pertaining to the development process in the region, and (2) the coordination of and streamlining of

⁶ Or perhaps utilize the regional business roundtable referred to in #3 above.

the development review process in the region on the state, Act 250, and local levels (e.g. education programs for those involved in local development review, etc.).

- b. Using the Task Force in A. above, complete an inventory of: (1) economic development and other related support services in the region, and (2) steps in the development review process—including local, Act 250, and state-level reviews. Identify gaps in needed economic development and support services. Design steps to address any gaps or inconsistencies in those critical economic development and support services. Organize those services into a consistent and cohesive system to facilitate effective and efficient delivery of those services.
- c. Work with regional partners to facilitate the creation of a “virtual” development process clearinghouse (e.g. web-based, if possible) housed at and coordinated by the FCIDC to proactively expedite strategic economic development projects in key regional dollar-importing sectors. This clearinghouse would be designed to meet the current and future economic development needs of its key, dollar-importing sectors and other industries in the region.
- d. Develop a program to effectively communicate the availability of those development facilitating services through a variety of media—including printed materials, electronic, and other means as may be necessary to elevate regional awareness of the availability of those services, and to educate the public as to the importance of quality job creation and retention to address unwarranted opposition to important development projects within the Franklin County region.

Strategy #6: Improve Access to Affordable Capital for Regional Businesses

Work cooperatively with federal, state, and regional partners to improve Franklin County business’ access to the affordable equity and early-stage debt capital resources needed for the region’s entrepreneurs and start-up businesses.

In the regional economic development resources assessment process, the project working committee identified access to adequate and affordable sources of early-stage debt capital and equity capital as a key deficiency in the region. The assessment noted that the lack of affordable, “early-stage” financing options was a clear problem for regional entrepreneurs—especially in the area of access to affordable equity capital. The assessment further found that access to affordable capital of all types was problem that was typical for many regions throughout the State, and was not necessarily an issue that was specific to the Franklin County region.

Based on those findings, it was determined that the region needs an approach to work cooperatively with existing state and national equity-debt capital structures/institutions to develop improved regional access to investment funds, “angel investor” networks, and other forms of financing (e.g. federal grants, etc.) to assist in the development of regional businesses—particularly in the region’s existing and potential future key industry sectors. Thus, this plan recommends that a regional effort is needed to build capacity to help regional businesses/projects gain affordable access to sufficient sources of equity and debt capital to facilitate the growth, development, re-development.

Recommended Actions:

- a. Work with state partners such as the state Small Business Development Center and the Vermont Economic Development Authority (VEDA) to develop a better understanding of the 2003 Jobs Bill and any additional capital provisions of the 2004 jobs legislation to identify direct and indirect Franklin County linkages to sources of equity and early-stage debt capital and other developing financial resources programs.
- b. Working with key groups and/or partners in the region and state, develop “in-region” expertise for raising and/or gaining access to early-stage capital sources (e.g. so-called mezzanine debt and various equity capital sources) to develop options for new business start-ups and owners of existing strategic businesses in the region to further expand and grow their businesses within Franklin County.
- c. Develop a strategic approach for developing attractive regional “buy-out” options for Franklin County’s entrepreneurs-current business owners who desire to sell partial or 100% equity interests in strategically important regional businesses.

Strategy #7: Strengthen Affordable Workforce Housing

Forge strategic partnerships to work towards expanding toward a full range of housing options across the entire pricing spectrum to affordably house the regional work force in Franklin County.

Economic development cannot thrive without adequate, decent housing within a reasonable commute to the place of business. Indeed, choice over a full range of housing prices is an integral component of successful economic development and building a strong business-friendly climate. Several studies over the last five years have found there is a severe housing shortage in the northwest region of Vermont. Economic development groups have warned that housing has become a limiting factor on economic growth in the northwest region. Therefore, this plan recommends that economic development and other regional partners promote the creation of more housing stock in Franklin County over a wide range of prices, with a particular emphasis on “affordable work force housing,” in order to facilitate growth opportunities to businesses already existing in or wishing to locate in Franklin County.

Recommended Actions:

- a. Build on a shared definition of “affordable housing” and to rename it “workforce housing” to help communicate the real issues associated with housing issues and avoid the incorrect preconceptions and false impressions created by using the term “affordable housing”.
- b. Collaborate with regional and state groups working to promote housing opportunities to help educate the public and regional elected officials about the strong linkage between housing and quality job creation-retention. Build on existing efforts in this regard, and expand it to include citizens and public officials throughout all of the communities in Franklin County.
- c. Work with regional partners to reduce local and state obstacles to creating more work force housing units in Franklin County.

- d. Build on the infrastructure inventory developed in Strategy #4 (see above) and further refine the current projected need for housing in the region by type and geographic region (particularly in the East and West) for the County (Within 180 days).
- e. Identify and make proposals to increase the inventory of viable options for employer-supported housing initiatives for new and existing businesses.

Strategy #8: Maintain a Quality of Life in Franklin County That Assures Long-Term Economic Success

Work cooperatively with economic development and other partners to maintain-improve a Quality of Life in Franklin County that is necessary to attract and retain the type of talented workforce required for a high performance regional economy.

"Quality of life" is becoming an increasingly important aspect of successful economic development. It is becoming a very critical part of what is needed for a region to attract and retain the type of talented work force for good jobs and high pay.⁷ It is an integral part of any strategy that addresses the needs of the region's key economic driver industries as they seek to have the human capital base needed to thrive in the new century.

Therefore, this plan recommends that the institutions and private citizens of the county work together to at least maintain, if not continuously improve, the quality of life of the region. Franklin County's quality of life which, at the minimum, is consistent with what is required to build a vibrant regional economy with quality jobs, safe communities, good schools, opportunity for its young people, and respect for the natural beauty and resources of the region.

Recommended Actions:

- a. Work with regional partners to facilitate a "regional environment" that is attractive for the region's key economic driver and other industries to flourish. These efforts—in whatever form—should identify and study examples of regions-communities where programs (e.g. education), activities (cultural and recreational), and infrastructure (including both traditional and new) stimulate job development and apply that experience to an approach that is relevant to the Franklin County region and her current and prospective key dollar-importing sectors of strategic importance.

⁷ See the "Circle of Prosperity" (above).

**FRANKLIN COUNTY REGIONAL
STRATEGIC ECONOMIC DEVELOPMENT PLAN**

Updated October 2005 – Active Through 2010

STRATEGY #1 BUILD WORKFORCE TO MAKE COMPETITIVE DIFFERENCE

FCIDC will:

- Participate in the Business/Community Advisory Committee for Adult and Incumbent Worker technical programs at NW Technical Center. The purpose of this group is to identify the training needs of business, individuals and the community. Initiatives brought forth by this group include bringing VTC Nursing programs to St.Albans; the development of Industrial Electricity training; the Allen Bradley training contract and the VT Training Program Grant. The 2005 meeting will be held on February 1st.

FCIDC has:

- Assisted the following companies in obtaining State Training Program funds.
 - Franklin Foods, Inc.
 - American Rail Dispatching Center
 - Mylan Technologies, Inc.
 - Simport Plastics
 - Vermont Precision Tools, Inc.
 - Energizer
 - Franklin-Grand Isle Workforce Investment Board (WIB)
- Partnered with the WIB to coordinate meetings between company managers, school curriculum coordinators and superintendents to exchange ideas on how schools can better prepare students, that do not plan to attend college, for the workforce when they graduate from high school.
- Participated with the WIB to sponsor an annual Career Expos in St.Albans. High School junior and seniors, as well as adults are introduced to companies recruiting employees. The 7th Annual Expo will be held March 31, 2005.
- Developed a WIB Training Center at the Multi-Tenant building in Swanton. Completion expected July 1, 2005. *Due to some unforeseen circumstances, the Training Center “fit-up” was delayed until January 2006.*
- In partnership with FCIDC and VT Technical College (VTC), the WIB developed an Industrial Maintenance Technician Training program in the new training center. Classes started September 20, 2005 serving 9 manufacturers and 17 employees. The idea originated with Adult and Incumbent Worker Advisory Board-
- The WIB is developing a program that will bring industry speakers, high school students and guidance counselors together to profile local employment and training opportunities.

STRATEGY #2 RETAIN VIBRANT BASE OF QUALITY JOBS

FCIDC has:

- Developed a Wage & Benefit Survey and requests each area industry to complete it. Information received is held in strict confidence. FCIDC compiles data from each company into one report and distributes it back to the companies that participated. Companies find survey information beneficial to their individual planning process.
- Visited (and will continue to visit) area industries to offer any assistance needed. Most recently, January 2005, visits were made to Bertek, Inc. and VT Precision Tools, Inc.
- Sponsored annual Legislative Business Tours. Local Representatives and Senators, as well as representatives of the U.S. Senate and Congress have visited and toured the following industries and organizations in 2004:
 - Leader Evaporator
 - NW Technical Center
 - Peerless Clothing, U.S.A.
 - Quality Services Technology
 - American Rail Dispatch Center, Inc.
 - Cargill Nutrition Feeds, Inc.
- Toured the following industries in 2005:
 - PBM (formerly Wyeth Nutritionals)
 - Bertek Systems, Inc.
 - Simport Plastics
- Coordinated an annual CEO Roundtable to be held January 26, 2005. The purpose of the roundtable is to discuss, with CEO's, their challenges and opportunities. A Vermont Technical College (VTC) representative will attend to discuss the need for and possibility of developing a local VTC training site or at the very least – classes.

STRATEGY #3 STRATEGIC RECRUITMENT FOR VIBRANT BASE OF QUALITY JOBS TO HELP DIVERSIFY REGIONAL ECONOMY.

FCIDC has:

- Compiled a 3-ring binder that lists all incentive programs and technical assistance available through local, county and state sources. The binder is sent to companies inquiring about the area.
- Added pictures and descriptions of vacant industrial buildings to the FCIDC and the ThinkVT websites.
- NY offers many incentives to companies wanting to open or expand business in this area, which are difficult to compete with. One significant challenge is the cost of electricity which is 40% higher in VT than in NY. FCIDC has been able to work with other agencies and organizations, putting together packages to recruit two industries from Canada who chose VT over NY.
 - Simport Plastics has expanded their operation to Georgia, VT. To develop a competitive package, we worked closely with the VEDA; Town of Georgia; State of VT; VT Training Program; CVPS; VEPC; and GIDC.
 - Stedfast, Inc., a laminated protective wear manufacturer, also chose Swanton, VT over a NY location. The incentive package developed for them included VEDA; VT Training Program; VEPC; State of VT; EDA and Community Development. This project has since been put on hold due to product development difficulties.
- We are still at the point of responding to inquiries, but have yet to develop a recruiting program. That will be addressed in the near future.

**STRATEGY #4 PROMOTE INFRASTRUCTURE READINESS FOR
HIGH PERFORMANCE FRANKLIN COUNTY ECONOMY**

- Several partners attended a Cell Service meeting in July 2004. Will Simonelli, a Wireless Telecommunications Consultant representing Unicel, was in attendance to discuss improving cell service throughout the county – specifically the eastern portion of Franklin County.
- VT League of Cities and Towns (VLCT) is revising telecom ordinances for towns. A follow up note from the Unicel representative suggested he would forward a request to VLCT – asking them to consider soliciting Unicel to add input on the revised telecommunications ordinance. We will watch that project closely.
- Tim was asked to take part in a coalition formed by the Vermont Partnership for Affordable Clean Energy. The coalition will be dedicated to promoting issues and policy solutions important to Vermont’s future energy supply.

Vermont Partnership for Affordable Clean Energy was formed to ensure Vermont remains a great place to live and work. Their mission is to advocate collaboratively for sensible solutions that ensure Vermont has reliable, affordable and clean energy now and in the future. Those solutions generally consist of emission-free power, renewable energy and conservation.

- To address this significant need for telecommunication infrastructure, Northern Enterprises, Inc., a non-profit, 501(c) 3 and a corporation of the Economic Development Council of Northern Vermont, Inc., will design and install a fiber optic network with a minimum of 144 fiber optic strands. This 400-mile network, North-Link, will utilize existing fiber where available and financially feasible for the six-county (Caledonia, Essex, Franklin, Grand Isle, Lamoille, Orleans) District of the Economic Development Council of Northern Vermont, Inc. (EDCNV). North-Link will be constructed across all of Northern Vermont (boundaries of New York to New Hampshire). The design will include a ring-style architecture that will provide reliable service with no more than 15% of the total network constructed of lateral spurs off of the ring(s). This state-of-the-art fiber optic network will support open access for leasing to end users, i.e. Internet Service Providers (ISP). This Open Access Network provides a backbone for ISPs, allowing them to purchase low-cost access while building their market and customer base. ISPs will not have to invest in their own infrastructure allowing them to offer their services to the end user at a lower cost. Also, customers will benefit from competition among the ISPs. North-Link will offer the ISPs high technology and cost-effective transport for high-revenue last mile marketing and customers.
- Adelpia has expanded into Highgate.
- Unicel has installed another antenna in Highgate Springs. Announced in a letter from Unicel dated December 15, 2005 – A new cellular site along Route 78 in Highgate.

STRATEGY #4 continued -

- The Town of Swanton has designated two growth centers in the Municipal Plan, one in the vicinity of I-89, exit 20 and the other at I-89, exit 21. The Town of Swanton has also applied for a Municipal Planning Grant to be used to update the Swanton Zoning Bylaws to establish a Multi-Use District in the vicinity of I-89, exit 20 in preparation for the inevitable economic growth expected in that area of Swanton .

STRATEGY #5

**CREATE PERMIT-DEVELOPMENT REVIEW
CLIMATE OF EFFICIENCY AND PREDICTABILITY**

- Tim is serving on a study group, whose purpose is to make recommendations for Ag Mitigation. Stakeholders consist of Regional Planning Commissions, Town Planners, Select Board Members, VT Ag Dept., RDC's, Legislators, and Environmental groups.

- All towns with planning and zoning will have adopted updated regulations on Sept. 1, 2005 as per 24 VSA Ch. 117 changes approved by legislature two years ago.

STRATEGY #6

**IMPROVE ACCESS TO AFFORDABLE
CAPITAL FOR REGIONAL BUSINESSES**

NO ACTIVITY TO DATE

STRATEGY #7 STRENGTHEN AFFORDABLE WORKFORCE HOUSING

- Lake Champlain Housing Development Corp. (LCHDC) offers a full range of housing services to include:
 - Construction of new housing and rehabilitating existing buildings.
 - Create developments that house people with a range of income.
 - Retain ownership of properties to insure long-term affordability..
 - Serve as a public educator for affordable development. They offer Home Ownership classes, which include budget and credit counseling, homebuyer assistance and home repair loans.
 - Coordinate social and other support services for residents with special needs.
 - Provide responsible property management and maintenance services.
 - Offer low-interest loans for home repair through the Champlain Valley Rehab Loan Fund.

- LCHDC is presently constructing five (5) 2 or 3 bedroom single family homes, in St.Albans City, that will be finished in 2005. Prices will range from \$163,000 for a ranch home to \$168,000 for a cape home after obtaining a Burlington Community Land Trust grant for qualified buyers.

- Through the efforts of LCHDC and St.Albans City, and a CDBG loan, 20 units of workforce affordable housing is being developed on the upper floors over retail space on Main Street, St.Albans, VT.

- FCIDC continues to communicate with Leader Evaporator in the hopes that their site on Stowell Street will become workforce affordable housing once Leader relocates their business.
 - In October 2005 Leader Evaporator, Inc. purchased and moved to the former Vermont Fastener Building in the Swanton Industrial Park. VT Housing is moving through the process of developing the St.Albans Stowell Street property into affordable housing.

- Workforce housing should be positively impacted by the updated planning and zoning regulation changes in 24 VSA Ch. 117 approved by legislature two years ago.

**STRATEGY #8 MAINTAIN A QUALITY OF LIFE IN FRANKLIN COUNTY
THAT ASSURES LONG-TERM ECONOMIC SUCCESS**

Missisquoi Basin Watershed Planning Underway

- The Vermont Department of Environmental Conservation's watershed planning process for the Missisquoi River Basin is underway. Watershed planning will take place in all of the state's 17 watersheds on a five-year rotational basis. The planning process is a collaborative process with residents of the watershed, municipal officials, state and federal agencies and various interest groups to address water quality issues in the watershed.

The Vermont Agency of Natural Resources (VANR), the Agency of Agriculture, and their public and private partners are held public forums in early February 2005 to share ideas and concerns about water quality issues in the Missisquoi Bay basin, including all of the land that drains into the Missisquoi, Rock, and Pike Rivers. For more information, please contact Barry Gruessner, Vermont DEC Watershed Coordinator, at 802-524-5958 or barry.gruessner@anr.state.vt.us.

Stevens-Rugg Brooks Watershed Plan Completed

- Developing a community understanding of the interrelationship between water quantity and water quality proved to be the strategic challenge of developing the Stevens and Rugg Brook Watershed Plan. Past efforts along these streams have focused on addresses flooding, erosion, or pollution problems without focusing on the relationship among them. The Stevens-Rugg Partnership created a Plan that met the needs of all partners and the streams so that watershed solutions could be implemented. The Plan is now available for distribution through the NRPC by calling 524-5958.

The Stevens-Rugg Plan documents the problems in the watershed and long and short-term solutions to these problems. One critical point made by the Plan is that the problems are watershed wide, and are not restricted to the floodplain corridor along the Brooks, although this is where the symptoms are most visible as flooding, reduced water quality, and sediment deposition. The Watershed Plan recommends a number of measures to address these problems which range from inexpensive solutions, such as land use regulation modifications, disconnection of roof drains, and development of riparian buffers, to more expensive solutions, such as a system of detention basins in the upper reaches of the watershed. A key component of the Plan is the recommendation that whatever solutions are chosen for implementation, they must be coordinated throughout the watershed and be a combination of small and large measures that result in a long-term, sustainable use of the watershed. Since the Plan's completion in October 2003, project participants have begun implementing more than 17 projects and activities from the Plan.

Geomorphic Assessment Underway for Missisquoi River Basin

- The Northwest Regional Planning Commission received a grant in November 2003 to conduct a Phase 1 Geomorphic Assessment on portions of the Black Creek, Trout, Rock, Pike, and Missisquoi River Watersheds within Franklin County. The study area covers over 450 square miles and almost 1,000 stream segments or reaches will be assessed. The assessment is anticipated to be completed by May 2005.

Fluvial geomorphology is a science that seeks to explain the physical interrelationships of flowing water and sediment in the context of the landforms that surround them. Its goal is to describe the physical processes that shape stream channels, while considering the different landforms, geologic, and climatic settings in which stream systems exist. The use of this science has led to an understanding that structures and land uses placed near streams must not only withstand the forces of running water, but must also avoid changing the fluvial processes of a stream system, including the movement of sediment, in order for such structures and land uses to remain secure.

The Vermont Agency of Natural Resources has developed the *Vermont Stream Geomorphic Assessment Protocols* to assess stream conditions. Phase 1 of the Geomorphic Assessment Protocols uses topographic maps and aerial photos, existing studies, and field visits to examine stream bank stability and erosion. This phase helps to identify reaches that will meet the goals and issues of the region such as implementing bank stabilization or riparian buffers. Phase 2 and Phase 3 of the protocols build off the findings of Phase 1 and require more field and survey work. More information about the *Protocols* can be found at www.vtwaterquality.org/riversgeo.htm.

An important aspect of the Phase 1 Geomorphic Assessment is collecting local knowledge about the watershed. We are gathering data on the following stream features: stream bank erosion, dredging, berming, straightening, rip-rap, restoration sites, flood damage, ice-jams and debris jams. If you have information, you would like to share, please contact Bethany Haase at the NRPC office, (802) 524-5958 or bhaase@nrpcvt.com.

DEC Upper Lake Champlain Watershed Planning Process Underway

- The Vermont Department of Environmental Conservation's watershed planning process for the Upper Lake Champlain Direct Watershed is underway. Watershed planning will take place in all of the state's 17 watersheds on a five-year rotational basis. The planning process is a collaborative process with residents of the watershed, municipal officials, state and federal agencies and various interest groups to address water quality issues in the watershed.

The Upper Lake Champlain watershed is the area that drains into Lake Champlain from Charlotte and continuing north to Highgate, but excludes the Missisquoi Bay watershed and the Lamoille and Winooski River watersheds. The following towns are located at least partially in the watershed: Highgate, Swanton, St. Albans Town and City, Fairfield, Fairfax, Westford, Milton, Colchester, Essex Town, Essex Junction, Burlington, Williston, South Burlington, Shelburne, St. George, Hinesburg, Charlotte and Ferrisburg and all the towns in the Islands.

As nonpoint sources of pollution have shifted to the center of water quality concerns during the past decade, voluntary redemption, on the part of both private and public landowners, has become a priority goal. The Department of Environmental Conservation believes that active public participation in the development of a watershed plan is essential to produce a plan that will effectively improve and protect water quality while reflecting the needs and priorities of Vermonters who live in the watershed. As part of the watershed plan, the Department and other partners in the watershed will also develop a proposal for the long-term management goals for all waters in the watershed, including rivers, lakes and ponds

This collaborative effort will eventually lead to a series of recommendations for improving water quality and uses and become a resource for any individual and group interested in working on watershed issues in the watershed. It will also guide the Agency of Natural Resources in its efforts to protect and improve lakes and rivers to the level required by the Vermont Water Quality Standards. For more information, please call Karen Bates, Watershed Coordinator for the Vermont Department of Environmental Conservation, at 879-2339.

DEC Continues Work on Lamoille River Watershed Plan

- The Vermont Department of Environmental Conservation is developing watershed plans for all of the state's 17 watersheds over the next 5 years in an effort to take a more holistic approach toward improving water quality across the state. The Lamoille River watershed planning effort is currently underway.

A watershed is comprised of all the land area that drains to a specific point. The Lamoille River Watershed is 706 square miles in size and includes major tributary streams. In Franklin County, the Lamoille River Watershed includes land and streams in the Towns of Georgia, Fairfax, and Fletcher. The Lamoille River itself generally runs from east to west beginning in Greensboro then through the Green Mountains and finally to its outlet in Sandbar State Park in Milton.

Watershed planning will rely heavily on public participation and local support throughout the process. The Lamoille River Watershed Council is comprised of representatives of landowners, municipalities, State and Federal officials, Regional Planning Commissions, and interested stakeholders. NRPC participates on the Council, along with Jane Sorenson, Fairfax Planning Commission member and co-owner of River Berry Farm.

A series of five public forums and several working landscape forums were held from July through September 2002 to hear the water quality concerns of Vermonters who live in the Lamoille River watershed. The forums identified three priority issues that need to be addressed in the watershed: stream instability, water quality, and development/sprawl. In future meetings, the Council will hear presentations and hold discussions on these issues. If you have any questions about the watershed planning effort or would like to be notified of Council meetings, please call Jim Ryan, Lamoille River Watershed Coordinator for the VT Department of Environmental Conservation, at (802) 241-3679.

Phase 1 Geomorphic Assessment of the Lamoille River

- The Northwest Regional Planning Commission is currently conducting a Phase 1 Stream Geomorphic Assessment along the main stem of the Lamoille River in Franklin County to determine geomorphic reaches and reference stream types based on valley land forms and their geology. Predictions of channel condition, stage of channel evolution and reach sensitivity will then be made based on evaluations of watershed and river corridor land use and channel and floodplain modifications. The Assessment will be conducted with adherence to the quality assurance procedures outlined in the ANR Stream Geomorphic Assessment Protocols. Three other Regional Planning Commissions (RPC) - Chittenden County RPC, Lamoille County RPC and Northeast Vermont Development Association - are completing this assessment of other portions of the river.

Geomorphic Assessment of the Tyler Branch

- The Northwest Regional Planning Commission (NRPC), in partnership with the Lake Champlain Committee and Missisquoi River Basin Association, conducted a Phase I geomorphic assessment of the Tyler Branch watershed. The Tyler Branch, a major tributary of the Missisquoi River, drains over 60 acres of land in Franklin County.

This project followed the Vermont Agency of Natural Resources' Stream Geomorphic Assessment Phase I Handbook and aims to collect scientifically sound data that can be used for watershed planning and detailed characterization of aquatic habitat, erosion, and flood hazards.

GIS plays a critical role in the geomorphic assessment. The NRPC utilized Spatial Analyst to delineate the Tyler Branch watershed and its three main sub-watersheds. The Stream Geomorphic Assessment Tool (SGAT), an ArcView extension, was used to define stream reaches and examine soils data, geology, and current land use for each stream segment. GIS analysis along with field observations was evaluated to identify impacted stream segments and prioritize conservation efforts.

Phase 2 Geomorphic Assessment of The Branch

- The Missisquoi River Basin Association has received funding to complete a Phase 2 Geomorphic Assessment on ten reaches of The Branch, a tributary of the Tyler Branch. This stream flows through both Bakersfield and Enosburgh. This study builds upon the initial results of the Phase 1 Geomorphic Assessment which was completed in 2002. Field work for this project is scheduled for spring 2005.

2004 Town of Georgia- Stream Buffer Analysis

- The Town of Georgia (CC/PC/SB representatives) have worked with and contracted with the Northwest Regional Planning Commission (NRPC) to complete a Stream Buffer Analysis and develop draft zoning provisions.

Applying protocols established in the Vermont Agency of Natural Resources' *Stream Geomorphic Assessment Phase I Handbook*, the analysis completed a 'Phase I Geomorphic Assessment' within the three main watersheds in the Town of Georgia: Mill River, Stonebridge Brook and Deer Brook. Currently stream setbacks of 50 feet are established and in force on all named streams and some unnamed streams; while a portion of Deer Brook in the Industrial Park has a 200 foot setback. Phase I includes the delineation of watershed boundaries and individual reach breaks; recording and mapping factors influencing watershed inputs such as land use/land cover, infrastructure components (culverts, bridges, etc) and any existing buffers.

2004 Town of Georgia- Stream Buffer Analysis (continued)

The completion of a geomorphic assessment on the streams in Georgia has provided baseline data which supports existing buffers and from which to develop regulations that will insure streams and rivers within Georgia are provided with an adequate amount of protection for water quality, habitat and recreational values. The main stem of Mill River, Stonebridge Brook and Deer Brook are on the impaired waters list. Data collected through the assessment helps to support better management and development decisions in regards to the water resources in town. The public outreach and education component of this process will provide a chance to gain input from the residents of the Town of Georgia for regulations and to provide them with information about the various values of the water resources in town.

Agriculture Run-off Experiment Addressed

- Tim Camisa has developed a system that is presently in operation at a St. Albans Town farm owned by Mitch Montagne. The system separates the solids from the liquid, then removes the phosphorous before it is discharged.

Friends of Missisquoi Bay and Missisquoi River Basin Assoc.

- Friends of Missisquoi Bay and the Missisquoi River Basin Association are leading efforts on multiple fronts to improve water quality in our rivers and lakes.

Town of Highgate Geomorphic Assessment

- Town of Highgate is sponsoring a grant to undergo a geomorphic assessment of the Rock River in Highgate and Franklin.

Northern Forest Canoe Trail

- Northern VT RC&D has assisted in the establishment of the Northern Forest Canoe Trail across our area.

4-Season Rail Trails

- Rail has been removed from the LaMoille Valley Railroad corridor in preparation for the establishment of a four-seasons recreation trail.