

ECONOMIC DEVELOPMENT

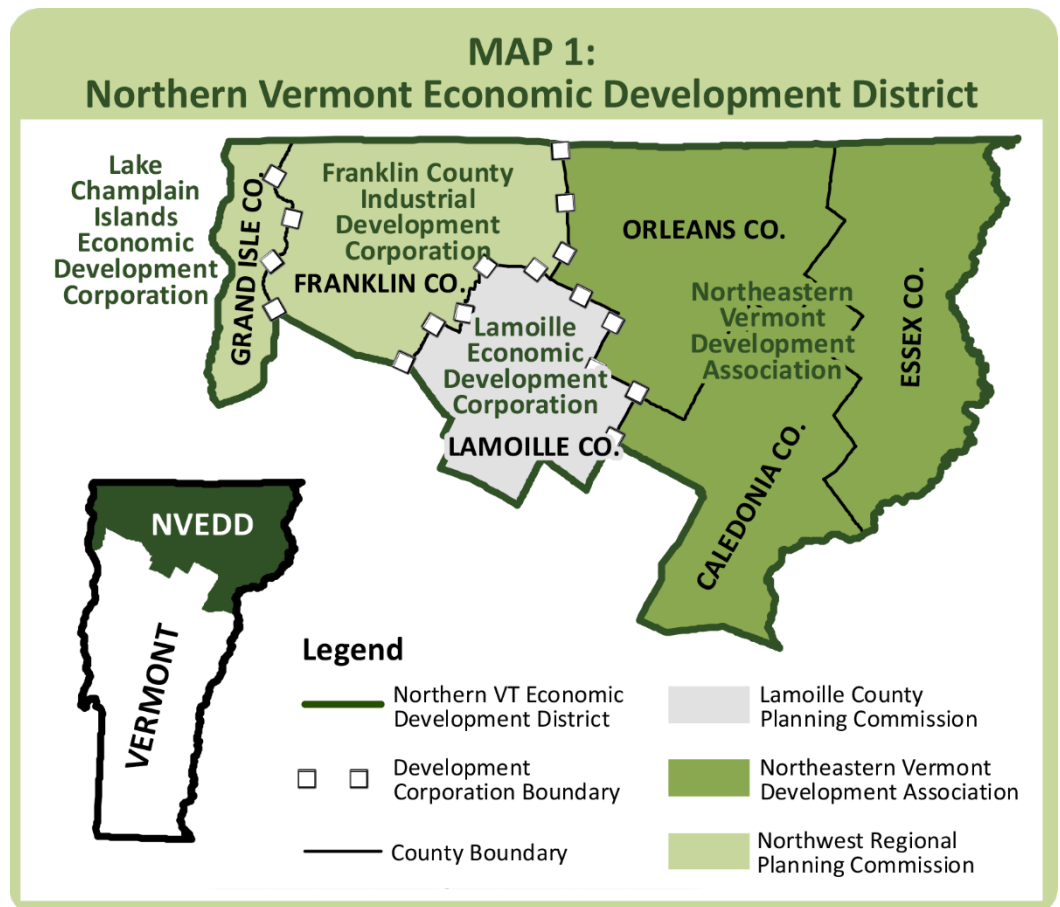
GOALS

1. Ensure that opportunities to experience, participate in, and benefit from the economy are available to everyone.
2. Improve the health of citizens and businesses by supporting the region's unique geography and landscape.
3. Ensure that communities and businesses can rely on employees who are work ready; have strong work ethics and necessary skills in reading, writing, STEM (science, technology, engineering, math), and communication.
4. Ensure that businesses, employees, and communities have access to funding that is achievable and affordable, business costs that are reasonable and appropriate, and an infrastructure that is available and dependable.
5. Facilitate collaboration among Franklin and Grand Isle Counties to address issues that are similar throughout each county and secure the communities' economic future.

ECONOMIC OPPORTUNITIES & CHALLENGES

Regional Assets

The Northern Vermont Economic Development District (Map 1) is a district recognized by the U.S. Economic Development Administration that allows access to federal economic development grants and technical support. The district is managed through a consortium of the regional planning commissions and regional development corporations. NRPC serves as the lead organization and fiscal agent.



The Comprehensive Economic Development Strategy for the district involves building a diverse economy, creating a competitive advantage for our businesses, and increasing the well-being of our communities. Supporting job growth and sustainability in existing industries and preparing our infrastructure and workforce for emerging industries is an overarching goal. Our success depends on identifying strategic industries for the region and making specific recommendations for the development of a highly skilled workforce to support those industries. Like all counties in Vermont, the health of businesses, employees, and communities in this region depends upon having access to funding that is achievable and affordable, business costs that are reasonable and appropriate, and an infrastructure that is available and predictable.

Businesses continue to struggle with low unemployment rates, the cost of health care, housing availability, and energy; these issues are common throughout the state and New England. Additionally, child care and transportation challenges impact employee availability. The regional assets of Franklin and Grand Isle Counties are strong counterpoints to these challenges and a key to the success of many businesses operating in the region. The following assets are critical to the regional economy:

- The Lake Champlain shoreline
- Tourism and recreational opportunities
- A working landscape and agricultural economy that supports regional food systems and keeps rural lands undeveloped
- Well-planned infrastructure, including industrial parks, a strong transportation network, and a growing broadband network
- Intact town and village centers that include public spaces and are designed to serve pedestrians and cyclists
- Proximity to Canada and major transportation routes
- A wealth of organizations and individuals committed to improving residents' quality of life (e.g., through housing, transportation, energy, and the environment)
- A long history of state and local commitment to sustainable development as reflected in state law and regional and municipal plans

Two trends may impact the economy in the future—climate change and remote work. All sectors of Vermont's economy—from tourism to forestry, agriculture, maple sugaring, and recreation—will feel the impacts of climate change. "Vermont is expected to attract new residents through climate migration, and Vermont may see an increase in summer 'seasonal climate refugees' as the rise in temperatures nationwide draws visitors looking to escape extreme heat. By 2080, the Vermont ski season will be shortened by two weeks (under a low emissions scenario) or by a whole month (under a high emissions scenario), and some ski areas will remain viable." (Vermont Climate Office, Climate Action Plan 2021) The low emissions scenario is optimistic. The report notes that skiing in Vermont will remain largely viable through 2050 only with the aid of snowmaking. With remote work becoming increasingly common for certain sectors, Vermont is an attractive location due to quality of life. Data and projections on these trends are not readily available, but NRPC will monitor new data and support our communities in planning for potential increases in population.

Table 1 provides an overview of economic indicators in Franklin and Grand Isle Counties. The strong working relationships between private and public sectors—including communities, businesses, planning groups, and educational organizations—have been the catalyst for job creation and building a diversified economy. This

growth has transformed Franklin County from a predominantly agriculture-based economy to today's diverse, dynamic industrial and economic base whose high-quality products are driven by leading-edge technologies. Several Canadian companies have located their U.S. operations within Franklin County industrial parks. To strengthen small and large businesses and promote the establishment of start-up businesses and entrepreneurial endeavors in Franklin and Grand Isle Counties, the region requires a strong and predictable infrastructure that encourages new owners and markets to support economic development.

Grand Isle County is the home of hundreds of small and micro businesses, as well as a fully permitted business park in Alburgh for light manufacturing and a privately owned industrial park in Grand Isle (Island Industrial Park), with lots available. According to U.S. census data, Grand Isle County currently exports more than 80% of its working-age population to employment outside the county. The economy is centered on tourism and agriculture, but a growing number of people are establishing home-based professional businesses or telecommuting thanks to the availability of high-speed Internet service.

TABLE 1: The Regional Economy

County Wages (2021)	Average annual wages were less than those of Vermont as a whole: - Franklin County: \$52,944 - Grand Isle County: \$43,567 - Vermont: \$56,263
Total Employment (2021)	- Franklin County: 16,908 - Grand Isle County: 1,111
Top Three Employment Sectors (2021)	- Franklin County: Admin/ Waste Services, Healthcare, Accommodation/Food Services - Grand Isle County: Retail, Accommodation/Food Services, Transportation
Place of Work: Franklin County Residents (2019)	- Franklin County: 45.8% - Chittenden County: 37.4%
Place of Work: Grand Isle County Residents (2019)	- Chittenden County: 54.2% - Franklin County: 14.6% - Grand Isle County: 14.0%
Unemployment (2022)	- Franklin County: 2.2% - Grand Isle County: 2.2% - Vermont: 2.1%

SOURCE: Vermont Department of Labor, U.S. Census Bureau OnTheMap Journey To Work data

Workforce

The COVID-19 pandemic resulted in immediate high unemployment rates, topping 14% statewide in the spring of 2020. Since then, Vermont has had a strong economic recovery. The region consistently has an unemployment rate at or lower than the statewide rate. Since 2022, the unemployment rate has been under 3%, a sign of a tight labor market.

Ensuring equality in economic success for all current and future residents is a cornerstone of successful economic development. Historically, there are disparities between income, unemployment, and business ownership depending on race, ethnicity, or gender. Because our region has a high percentage of people who identify as white, local data on economic disparities by race or ethnicity is not readily available. Using data for the state of Vermont as a whole demonstrates the current challenges in achieving equitable economic success. Statewide, the average unemployment rate was twice as high for Black and Hispanic Vermonters. The disparity is even greater among males who are Black (12.8 %) and Hispanic (10.8%). Black youth 16-19 had an average unemployment of 22.6%, compared to 4.7% for white youth. (ACS 2018-2022)

The Franklin Grand Isle Workforce Investment Board (FGIWIB) is no longer supported by the State of Vermont, leading to a diffuse approach to workforce development. The need continues to grow for instruction in basic skill sets and specific training and certifications. Industrial maintenance, industrial electricity, CNC setup, and shop print reading are in constant demand by local manufacturers. Adult education programs feature regularly scheduled classes in licensed nursing assistant (LNA), clinical medical assistant, phlebotomy, home health care, and emergency response training. Various small businesses and individuals consistently seek support in financial software, basic computer and office software, child-care provider, and supervisory training. With ever-changing needs and innovations, it is critical that these services remain available to incumbent workers, new employees, and individuals.

The Value of Manufacturing

The number of employers in the manufacturing sector within the region has remained steady during the past ten years, at or around 60.

Manufacturing wages in the past five years have increased by 33%. The Franklin County average manufacturing wage of \$67,277 was well above the average for all employment (VT Department of Labor).

Industrial and Commercial Development

Industrial and commercial development in Franklin County has remained strong during the past two decades with the growth of Perrigo, Beta Technologies, and Northwestern Medical Center (NMC). In keeping with the regional land-use goals, industrial development has expanded almost entirely within previously permitted industrial parks that are in or adjacent to our downtowns and regional growth areas. The region continues to receive interest from businesses based in Quebec that seek a market in the United States. Grand Isle County still struggles to provide public transportation and municipal wastewater, which limits its commercial and industrial growth. The region's vibrant base of manufacturing and agriculture and its expanding base of sustainable agriculture and health-care services are all critical to the health of our communities. We must utilize the existing infrastructure, support targeted expansions, and understand the common threads throughout the region that are essential in supporting business and social communities.

Brownfield Redevelopment

One of the legacies of the Northwest Region's rich economic past is an inventory of commercial and industrial properties whose redevelopment is challenged by real or perceived environmental contamination that complicates and increases the cost of revitalization. Subsidizing brownfields redevelopment with technical assistance, assessment and cleanup funding is a critical piece of the economic development and revitalization strategy to help overcome challenges, unknown costs and liability issues. NRPC has a longstanding brownfields program, that includes partnerships with communities, organizations and state agencies. Through assessment grants and a revolving loan fund, NRPC is able to support projects at all phases of redevelopment. NRPC is skilled at leveraging federal and state brownfields funds to achieve impactful redevelopment and revitalization.

Working Landscape

Supporting the unique geography and landscape of the region's counties and providing an environment that supports families and businesses in agricultural endeavors is essential to the health of our communities.

Value-added agriculture (changing an agricultural product to a more valuable product) remains important in the region, although total value of agricultural products sold stayed steady or dropped slightly from 2012 to 2017. NRPC, the Franklin County Industrial Development Corporation (FCIDC), Lake Champlain Islands Economic Development Corporation (LCIEDC), Northwestern Medical Center, and others cooperated to form Healthy Roots Collaborative, a local food organization with a mission to provide marketing, business planning, and other support to local food growers and producers. Healthy Roots Collaborative joined NRPC in the fall of 2019, and NRPC provided organizational support for Healthy Roots employees and programs until a transfer to Champlain Valley Office of Economic Opportunity in summer 2024.

Franklin County (24%) and Grand Isle County (2%) represent 26% of state agriculture sales. In 2017, Franklin County farms averaged sales of \$254,614; the figure was \$150,720 in Grand Isle County. Those are a 2% growth and 4% decrease since 2012, respectively. Franklin County remains the second most productive agricultural county in the state, generating 24% of Vermont’s farm sales in 2022 (US Census of Agriculture). Although farmland is abundant in both counties, the setting in each county is very different. On average, farms in Grand Isle County are significantly smaller in size and tend to be more diversified than farms in Franklin County.

TABLE 2: The Working Landscape Economy

Value of Agricultural Products Sold	The dollar value increased 0.6% from 2012 to 2017 in Franklin County and decreased 5.9% in Grand Isle County over the same period.
Value of Dairy	Milk accounts for 60% to 70% of agricultural product value. Franklin County produced 25.6% of Vermont’s total milk production in 2017, more than any other county.
Importance of Maple Syrup	Franklin County produced 39% of Vermont’s maple products in 2017—the most in the state. Value of maple syrup produced in Franklin County nearly doubled from 2012 to 2017.
Agricultural Employment	Agricultural employment constituted 3.3% of total employment in Franklin County, and 2.7% of total employment in Grand Isle County in 2021.
Changes in Farm Acreage	From 2012 to 2017, the amount of farm acreage increased by 1.82% in Franklin County and decreased by 1.16% in Grand Isle County.

SOURCE: U.S. Census of Agriculture 2017, VT Department of Labor

There are areas of sales growth in vegetables, alternative dairy (sheep and goat), value-added products, and other farm income, like agritourism. Farmers markets continue to show community support of agriculture in Franklin and Grand Isle Counties. As of 2025, there are four regular summer markets in the region: Champlain Islands Farmers Market, Northwest Farmers Market, St. Albans Bay Market, and the Montgomery Farmers Market,. Looking toward the future, of the 1,378 total producers in Franklin County, 328 are new and beginning farmers. In Grand Isle County, of the 196 producers, 62 are new and beginning farmers.

The agricultural sector relies heavily on a migrant workforce. Some estimates are that the agricultural sector is supported by 1,000 to 1,500 migrant workers statewide, up to 90% of which are undocumented. We must ensure safety, food access, fair wages, educational opportunities, proper housing, and social supports as crucial components of supporting these workers. (Panikkar, B.; Barrett, M.-K. Precarious Essential Work, Immigrant Dairy Farmworkers, and Occupational Health Experiences in Vermont. *Int. J. Environ. Res. Public Health* 2021, 18, 3675.)

Tourism

Tourism in Vermont is a \$3 billion industry that supports over 30,000 jobs in Vermont, or 10% of Vermont's workforce (VT Dept. of Tourism 2023). In Grand Isle County, the summer population is estimated to be three times the year-round population, and tourism in Franklin County is expected to continue to grow.

Accommodations, food service, and retail account for more than 40% of Grand Isle County's private-sector employment. Increasing numbers of Canadian visitors account for a portion of the growth in tourism and bike tourism, and agritourism continues to grow in importance (VT Dept. of Tourism). Growth in bike tourism in the region is expected with increased marketing of the Missisquoi Valley Rail Trail and the Lamoille Valley Rail Trail.

The COVID-19 pandemic and associated stay-at-home orders, gathering limits, and testing/quarantine requirements had a tremendous impact on the tourism industry in 2020. In 2022, tourism within the region began to rebound and was growing again. Visitors at the Georgia Information Centers increased by nearly 100% from 2020 to 2021, and rooms and meals tax receipts continue to increase each year. In 2021, the rooms portion of the rooms and meals tax was \$14.2 million in Franklin County and \$3.2 million in Grand Isle County, equivalent to 2019 levels. Compared to the lows of 2020, this was a 300% increase for Franklin County and a 70% increase for Grand Isle County.

Arts, Culture, and the Creative Economy

The creative economy refers to efforts to foster economic growth and development through creativity, cultural heritage, and entrepreneurship, which reinforce the region's unique character and sense of place. The 2021 CreateVT Plan completed by the Vermont Arts Council estimated that 9% of the region's workforce was involved in the creative sector, either full or part-time. Specialty foods and design (graphic design, architecture, landscape architecture, interior/industrial design, printing, etc.) were the two largest creative industries in the region, each at 26% of the creative industry. Specialty foods and performing arts are the two sectors that grew the fastest from 2010 to 2018. (CreateVT Plan)

In 2017, 68.3% of Vermonters attended a visual or performing arts event, putting Vermont in the top ten in the nation. The Vermont Creative Network links creative economy practitioners and partners to supporting a thriving creative economy. NRPC supports these efforts and participates in the regional network.

GOALS AND POLICIES

- 1. Ensure that opportunities to experience, participate in, and benefit from the economy are available to everyone.**
 - a. Provide additional support to municipalities and partner organizations that do not have staff resources to access funding opportunities.
 - b. Support efforts to expand economic opportunities to communities, businesses, and people who have been historically underserved, and in areas with high unemployment or low per capita incomes.
 - c. Support efforts to modify grant match requirements to reflect ability to pay.

- d. Encourage the tracking and reporting of data to measure the impact of economic and community development programs across income, race, ethnicity, disability status, and other measures.
- e. Increase the organized regional marketing capacity for the region, with a focus on unique recreational and tourism opportunities and great places to live.

2. Improve the health of citizens and businesses by supporting the region's unique geography and landscape.

- a. Increase the production and marketing of local foods, beverages, and natural products as well as expanding access to those products at local and broad-based markets by supporting production and educating and engaging the public.
- b. Promote county assets and quality of life for the citizens of Franklin and Grand Isle Counties, tourists, and recreationists by collaborating with regional brands and local food and beverage markets and capitalizing on the region's proximity to Canada, Chittenden County, and population centers in the northeastern United States.
- c. Support efforts to ensure that the working landscape—including agriculture, forestry, and value-added production—remains a key sector in the region's economy.
- d. Support economic diversity in tourism, transportation, recreation and agriculture to protect against negative economic impacts of climate change.

3. Ensure that communities and businesses can rely on employees who are work ready; have strong work ethics and necessary skills in reading, writing, STEM, and communication.

- a. All levels of education—both K through 12 and post-secondary—must provide students with basic skills and solid work ethics for the workplace as well as post-high school education and training programs, and they must deliver skill sets that meet the changing needs of business and the rigors of collegiate programs.
- b. All sectors of business, education, public protection, and the community must actively support economic sustainability by educating residents and employees on substance abuse, supporting drug rehabilitation and drug prevention programs, and addressing the crimes often related to drug addiction.
- c. Support efforts to increase opportunities for students and adults to enjoy economic success by entering careers in the trades and licensed trades.

4. Ensure that businesses, employees, and communities have access to funding that is achievable and affordable, business costs that are reasonable and appropriate, and an infrastructure that is available and dependable.

- a. Ensure that the existing vibrant base of businesses—including manufacturing, agriculture and related businesses, health care, retail and service industries, home-based businesses, telecommuting, and seasonal and tourist-based businesses—have knowledge of and access to existing resources.
- b. Support efforts to bring in additional public and private resources to expand and upgrade infrastructure, including water, wastewater, broadband Internet, cellular service and energy.
- c. Forge strategic partnerships for creating a full range of housing options across the entire pricing spectrum to affordably house the regional workforce.

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- 5. Facilitate collaboration among Franklin and Grand Isle Counties to address issues that are similar throughout each county and secure the communities' economic future.**
- a. Encourage public and private investments in the arts and creative economy and facilitate locally designed creative economy projects that build upon the region's cultural heritage and creative assets.
 - b. Support collaboration between communities and artists for arts appreciation, arts learning, and arts promotion.
 - c. Establish goals for Grand Isle County to improve collaboration among the "islands" while distinguishing each unique community.
 - d. Support regional economic development services such as workforce training, public transportation, incubator development, and collaborative marketing.
 - e. Ensure that new economic development enhances and supports the land-use goals and policies in this regional plan.
 - f. Support communities, property owners and prospective developers address development challenges associated with environmental contamination, with particular focus on brownfields redevelopment in Centers, Planned Growth Areas, Village Areas and adjacent industrial areas.
 - g. Work cooperatively with other regional partners to maintain and improve a quality of life that is necessary to attract and retain the type of talented workforce required for a high-performance regional economy.