

## Vermont House Commerce Committee Testimony

By Justin Worthley, Senior Vice President of Global People & Culture, Burton Snowboards, Burlington, Vermont

Hello esteemed Committee Members –

My name is Justin Worthley and I am the Senior Vice President of Global People & Culture, at Burton Snowboards, in Burlington, Vermont. I have been at Burton for the past 11 years, and prior to that held a variety of Executive, Human Resources and Operational roles at Vermont companies including Rhino Foods, Bosch, Controlled Energy and Ben & Jerry's dating back to 1994. Throughout my career, I've been directly involved in recruiting and hiring employees, including relocating hundreds of employees to Vermont.

In my current role at Burton I have global responsibility for Burton's workforce which includes over 900 people across the world, and over 300 here in Vermont. As I expect you all know, Burton was founded in 1977 by Jake Burton Carpenter and has been run continuously out of Vermont, from Manchester, Vermont until 1991, and since then from our global Headquarters on Queen City Park Road in Burlington. Burton is proud to be a B Corporation and a privately held company owned by Donna Carpenter, deeply committed to our Vermont roots.

I am also here today representing Burton as a founding member of the Vermont Outdoor Business Alliance or VOBA, a member organization representing nearly 90 Vermont organizations working to create and sustain a vibrant Outdoor Recreation culture and economy in our state.

I'm here today to encourage you to fully fund the Vermont Housing and Conservation Board. Both parts are important to us: housing and conservation. With that said, I will be focusing my comments on housing more than conservation, though I will note that Burton has deep and long-standing sustainability commitments which are an essential element of Burton's Purpose – in fact our existence depends on sustainability.

On housing, I'll share 3 things:

1. In all the discussions we have with new and prospective employees about moving to Vermont, as well as with our workforce that is already here, the clear #1 challenge and obstacle we hear about over and over is the limited availability and high cost of housing. This feedback comes from employees who make our starting wage of \$20/hour, as well as employees at all other pay scales up to and including executive level positions. Data on cost of living back up those anecdotal comments, with the cost of living index in Vermont being similar to places like Denver, Colorado and Seattle, Washington.
2. The impacts of Vermont's housing market challenges affect our business, our employees, and more and more it is impacting the state overall. The business impacts including increased recruiting and retention costs; the employee impacts include significant lifestyle adjustments like working a second or third job, and/or living with roommates well beyond the age when many of us would have considered that 'normal' and/or simply going without; the impacts to the state are growing as more and more regular working people just won't come here or stay here because they can't afford it. With the widespread acceptance of remote and hybrid work, this has accelerated; at Burton we have more and more employees moving out of Vermont and working remotely from other states due to high housing costs. While we are adapting to this new reality, it is changing our company culture, but the real detriment is to the state economically, socially, culturally and more – draining key talent and cultural diversity. Burton does and will continue to recruit talent and relocate them into Vermont as much as possible, but unless the housing market stabilizes, this will become increasingly rare as the work from anywhere trend is not going away. As we learned through the pandemic, Vermont was a great refuge for folks to escape the big cities and hunker down in their vacation homes, meanwhile regular Vermonters were faced with increasing costs and fewer

choices around housing. Do we want Vermont to just be a haven for the wealthy, or a place where regular working people can have a sustainable and affordable future?

3. While I know it's not the focus of this committee right now, permit reform is an essential part of the equation – for housing and for other economic development projects. As a lifetime Vermont I'm proud of our state and how Act 250 has ensured Vermont doesn't end up looking like other less desirable places. But based on our experience over the past several years in the Act 250 process, we know through firsthand experience that the Act 250 appeal process can be weaponized by those who oppose responsible and well considered projects simply because they can. There are a growing list of good projects in town- and city-designated development areas that are being held hostage to the whims of a very few individuals who have deep enough pockets to appeal permits. Holding up a project for years only takes party status and money. That simply makes no sense. Through our own Act 250 journey, I've talked to and asked for help from many folks like yourselves and dozens of other responsible state, regional and local officials. They all say the same thing, which I think is intended to be helpful, but is actually incredibly demoralizing... they say 'you have a great project, you just need to persevere and hang in there'. 'Hang in there' isn't something you can build a business plan around.

We recognize the housing challenge is significant, and the task before you is not simple. I'm here to reinforce that as a major Vermont employer the housing availability and cost challenges impact us every day – as it does for many other members of the VOBA community. I am a whole lot less clear about the specific policy solutions. But what we know is the Vermont Housing and Conservation Board plays a key role in the policy solutions so starting with full funding is the right step. From there I encourage you to be thinking about ways to move the needle with larger scale solutions, geared towards 'regular' Vermonters – our core workforce. Market forces are rapidly widening the housing and wealth gap in Vermont, and that pressure will only increase. And lastly legislative reform is needed to the permitting process so that well considered projects that address key housing and economic development needs are no longer held hostage and watered down to the point where they don't actually move the needle.

Thank you for your time today and I'd be happy to follow up with any of you for further discussion.

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