

Agency of Commerce and Community Development

PROGRAM REVIEW
HOUSE COMMITTEE ON COMMERCE AND ECONOMIC
DEVELOPMENT







Department of Tourism and Marketing



VDTM PROGRAM OVERVIEW FY2016

FUNDING

• General funds: \$3.1M

DIVISIONS

- Department of Tourism & Marketing (VDTM)
- Vermont Life Magazine

STAFF

- 8 VDTM
- 8 Vermont Life



VDTM Performance Based Budget

- Increase of rooms and meals tax revenue
- Increase of jobs in the hospitality sector
- Overnight camping at Vermont State Parks

Measures		FY15 Target	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
\$ increase of rooms and meals tax revenue	\$ increase tax revenue (millions)	5,000,000	7,880,000	5,000,000	5,000,000	5,000,000
# increase of jobs in hospitality sector (annual average)	# jobs	34,200	35,691	35,800	36,000	36,200
# occupancy (overnight campers) at Vermont State Parks (reported on a calendar year basis)	# occupancy	428,000	423,228	425,000	425,000	425,000



Rooms and Meals Receipts





Marketing Objectives

- Reinforce brand awareness in Northeast and mid-Atlantic markets amongst traditional target audience
- Introduce brand to Millennial audience within target markets
- Introduce brand to traditional target audience within target markets
- Increase overnight bookings with Vermont properties

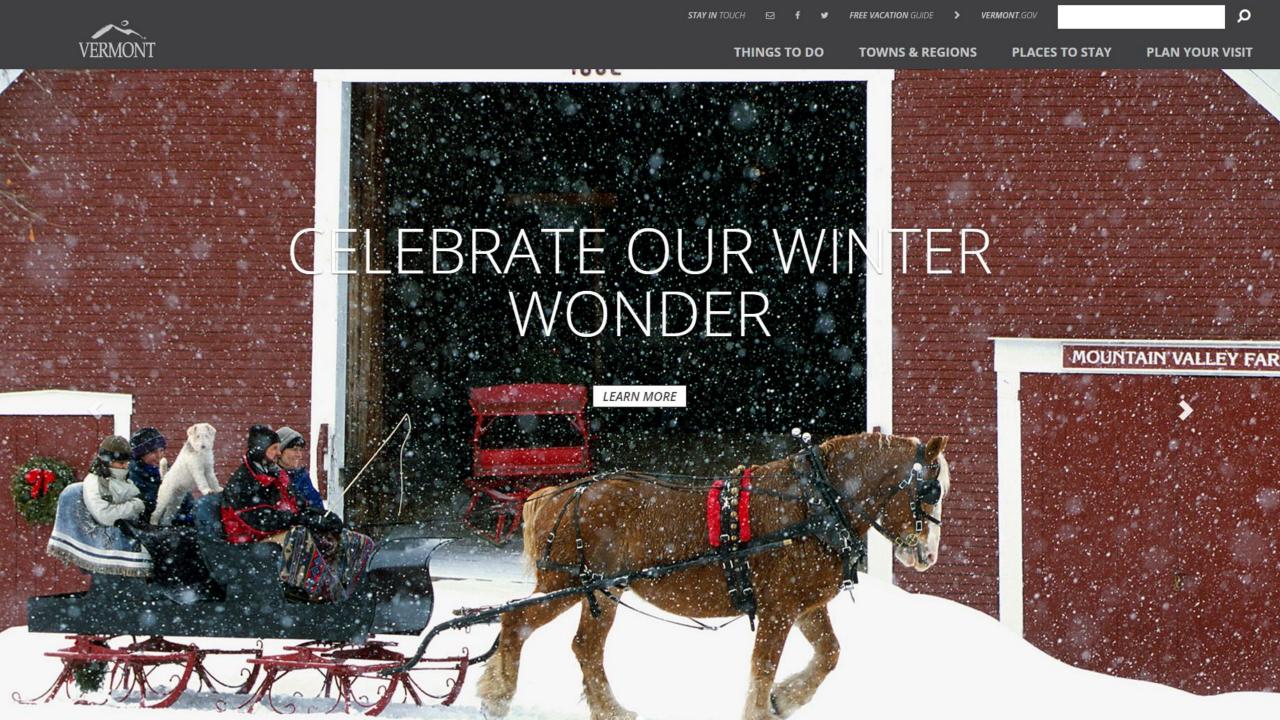
TARGET AUDIENCE

- Affluent travel target within distant domestic markets based on following criteria:
 - HHI of \$100K+
 - A28 54
 - Affinity for travel to Vermont
 - Interest in outdoor recreation
 - Non-business travelers

STRATEGY

 Employ comprehensive media plan composed of targeted online travel agency and digital placements with segmentation for traditional and Millennial targets



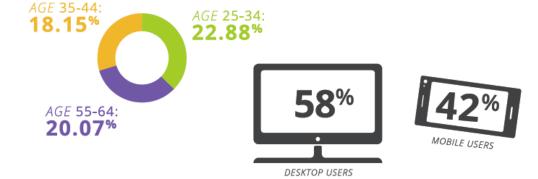


VermontVacation.com



OFFICIAL VERMONT STATE TOURISM WEB-SITE TRAFFIC AS OF 12.1.2015 (8 MONTH SPAN)





308,148 ACTIVE USERS



375, 424 USER **SESSIONS**





Where do Vermont visitors come from?

- The following statistics were collected in the fall 2015.
- Data is tracked via a system called Arrivalist.
- Arrivalist tracks consumers after they have been exposed to Vermont digital advertising. The consumer is then marked when they physically visit the State of Vermont.

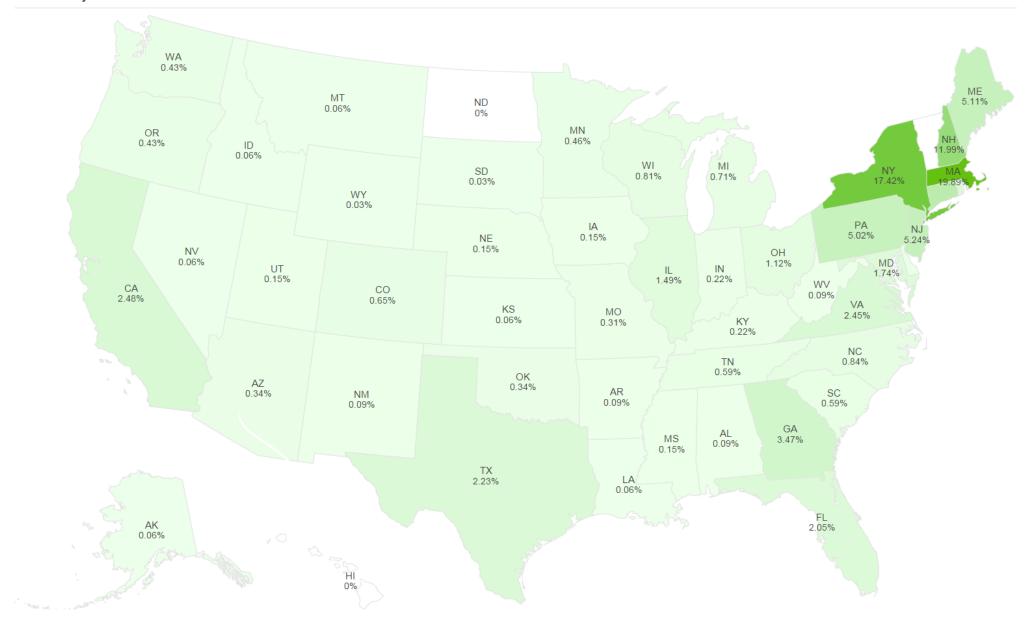


4 - Origin Markets





5 - Arrivals By State





Economic Development Marketing Plan

- June 2015: S.138 Appropriation of \$200,000
- June 2015: Internal discovery phase
 - Team members from DED, VDTM, CMO and Vermont Life
 - Review stakeholder research, existing assets, past economic development marketing efforts
 - Develop draft audience profiles, strategies and tactics
- July 2015: Video project launched, capture Vermont success stories
- August 2015: Scope of services determined for RFP
- September 2015: RFP released September 9; due October 1
- October 2015: RFP review (13 responses), Q+A interviews (5 finalists)
- November 2015: Contract negotiations, approvals
- December 2015: Contractor selection announced, December 17
 - Contracts awarded to Spike Advertising (Vermont) and DCI (New York)



Economic Development Marketing Plan

EARLY IMPLEMENTATION EFFORTS

Release of 'Grow and Succeed' videos, including profiles of:

- Vermed (https://youtu.be/JrSfJBhdeaE)
- Chroma Technology (https://youtu.be/IAxBUuFmu7A)
- Logic Supply (https://youtu.be/H_Gr8NW97KU)
- Fresh Tracks' Road Pitch (https://youtu.be/vk6iRHoBKOM)

Outdoor Advertising, Boston market

 Rotating placement through VDTM, featuring VermontVacation.com, Ski Vermont, Boston Public Market, downtown Montpelier and Cabot



Economic Development Marketing Plan

PHASE 1 (60 days): Discovery, including:

- Two-day stakeholder engagement immersion tour
- Media audit, what is and isn't being written about Vermont
- Internal and external perception surveys

PHASE 2 (30 days): Key Message Development

- Prioritization of target audiences
- Key messages for top priority audiences

PHASE 3: (30 days): Marketing Plan Development

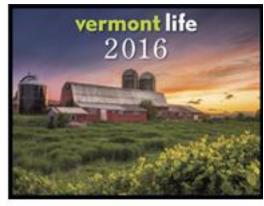
- Goals, strategies and tactics
- Performance metrics
- Budgets and timeline





Vermont Life Magazine

VERMONT'S PREMIER MARKETING TOOL





History

- Started in **1946** at suggestion of the **Vermont Development Commission**
- Purpose: to be an attractive, effective promotional tool for Economic
 Development; at that point, economic development was Tourism people
 looking to travel the newly-built highways and return to a slower, agrarian-based
 pre-war mindset.
- Today, economic development means an emphasis on technology, entrepreneurship, food and beer, outdoor recreation and its accompanying business opportunities (ski design, etc.) and the arts.
- Though circulation has fluctuated over its 70 years of publishing, **Vermont Life remains the largest publisher in Vermont**, with a greater readership than the Rutland Herald, Free Press, Times Argus, Seven Days and VT Digger.



Good News

SUBSCRIPTIONS

- Increase of 11 percent in last two years
- Stopped 20-year downward trend; two-year subscriptions popular

DEMOGRAPHICS

- Average age: 55 years old, 13 years younger than in 2007
- Highly educated: 11% doctorate; 30% Master's; 27% BS/BA
- Affluent: 39%: \$100,000---\$199,999; 11%: \$200,000



Vermont Life Fuels Action

We asked our readers what actions they took **specifically as a result of reading Vermont Life**, and they said the following:

- 67% bought a Vermont product, visited a Vermont store or used a Vermont service
- 56% tried a new restaurant
- 44% planned a vacation or stay-cation
- 26% made lodging plans
- 6% bought real estate in Vermont



Vermont Life Brings into the State:

\$33.5 MILLION ANNUALLY

in dining, lodging and real estate services, calendar sales and associated taxes. (This does not account for Vermont products/shopping, transit or other services such as spas, skiing, fishing, festivals, events, etc.).

\$103 MILLION ANNUALLY

in property taxes

Meanwhile, Vermont Life's operating budget is about \$2 million annually, mostly self-funded.



Magazines are highly effective marketing tools that get results.

Let's change the narrative surrounding Vermont Life.





Chief Marketing Office

2015 FACT BOOK and Annual Report







Published January 15, 201

CMO PROGRAM OVERVIEW FY2016

FUNDING

General funds: \$200,514

KEY ROLES AND RESPONSIBILITIES

- Steward of the Vermont Brand
- Provide strategic marketing and communications expertise, tactical planning support and centralized creative services
- Enhance efficiency of state marketing efforts through collaboration across state government.

STAFF

• 2 full-time



Services Offered to State Entities

BRANDING SUPPORT

MARKETING CONSULTING

Strategy, tactics, messaging, media planning, design

CONTRACT MANAGEMENT

- Oversight on all marketing contracts over \$15,000
- Master contracts
 - Media Buying (1)
 - Marketing Services (5)
 - Photography (3)
- Prequalified vendor program



Services Offered to State Entities

CREATIVE SERVICES

- Graphic Design (brochures, posters, report templates, fact sheets, tradeshow displays, advertising, etc.)
- 1,053 hours of design provided in 2014, equating to a savings of over \$63,000 (60% less than the contracted hourly rates of marketing vendors)

DIGITAL COMMUNICATIONS

- Web content strategy consulting
- Template design and technical support

DIGITAL ASSET MANAGEMENT

- 5,070 downloads in 2015
- 326 active users





Department of Housing and Community Development



DHCD PROGRAM OVERVIEW FY2016

FUNDING

- General funds: \$2.5M
- Special funds: \$5M (Fees, gift shop, RPCs)
- Federal funds: \$8M

DIVISIONS

- Housing
- Grants Management
- VT Community Development
- Community Planning + Revitalization
- Historic Preservation (including Historic Sites)

STAFF

• 41 people (5 limited service for CDBG-DR funds)



Mobile Home Park Program

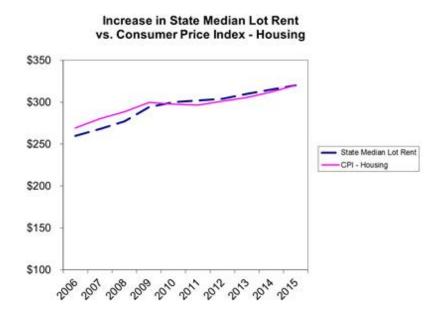
- Conduct annual park registry (243 parks with 7,129 homes);
- Monitor rent increases;
- Facilitate lot rent mediation;
- Administer First Stop grant;
- Oversee park sale and closure notifications;
- Work with sister Agencies to support residents and owners of troubled parks; and
- Oversee Champlain Housing Trust's (CHT) Manufactured Housing Down Payment Assistance Loan Program.





Mobile Home Park Program

- Lot rent increases over the past 7 years track CPI
- A lot increase of 3.6% is eligible for mediation. In 2015 of the 131 lot rent increases, 21 were eligible for mediation but none were disputed.
- CHT made 56 loans to help replace old, inefficient units or replace homes damaged by Irene.
- Currently 10 resident-owned parks (4 in 2011).
- DHCD is developing rules to implement Act 8 (2015) which authorizes administrative penalties for violations of MHP law.





Funding from HUD

Consolidated Plan: Guides over \$10M in annual funding; requires stakeholder outreach; outlines funding priorities for the Community Development Block Grant (CDBG) Program; Home Investment Partnership Program (HOME); the Emergency Solutions Grant; and Continuum of Care and Tenant and Project-based Section 8 Vouchers.

Home Investment Partnership Program (HOME): Expand public-private partnership and expand the supply of decent, safe, affordable housing; \$3M sub-granted to VHCB

FY 2015 – 53 multi-family units preserved or created.



Funding from HUD

Neighborhood Stabilization Program (NSP1 and NSP3)

- Both should be closed out FY2017
- Acquired, rehabbed and sold 74 single-family homes; 54 units of multifamily preserved; 34 new units created
- Resale generated \$6.9M for additional projects
- Since 2009, 1752 part-time workers; resale of homes generated almost \$18M.



CDBG Funding from HUD (FFY 2012-2015)

- 92 grants
- 27.6 million in CDBG grants
- \$231 million leveraged
- 1,354 homes
- 51 full-time jobs created
- 20 community planning grants
- 18,314 people benefiting from increased access or services





Funding from HUD

• Vermont Community Development Program: administers the Community Development Block Grant Funding. \$6.6M in FFY2016 to fund housing, economic development, infrastructure, accessibility projects that meet needs of low-moderate income Vermonters. Guided by the Con Plan and voluminous Federal requirements.

VCDP Measures	FFY 2012	FFY 2013	FFY 2014	FFY 2015	FFY 2016 Projected
Communities/projects receiving technical assistance	98	87	83	85	85
Projects/grants funded	27	21	19	25	20
Funding awarded	\$6.7M	\$6.3M	\$6.6M	\$8M	\$6.6M
Funding leveraged	\$55M	\$48M	\$68M	\$60M	\$55M
Housing units created or preserved	282	218	353	501	199
Jobs created or retained	9	42	0	0	50
Persons benefiting from increased access or services	6,388	2,749	6,776	2,401	4,325
Communities receiving urgent need or blight assistance	0	1	0	1	1
Communities receiving grant assistance for planning	3	5	4	8	6



Grants Management

- Assures municipalities, developers, attorneys, consultants and program staff comply with federal and state regulations for DHCD programs.
- Main point of contact with HUD.
- Compliance areas include:
 - Environmental review, financial management, eligible activities, single audit, fair housing, contracts, procurement, Davis-Bacon Labor Standards, timeliness of expenditures and meeting National Objectives for each program.



State Designation Programs

- Downtowns (24)
- Village Centers (121)
- New Town Centers (2)
- Growth Centers (6)
- Neighborhood Development Areas (6)

Upon designation, communities receive specialized training and technical assistance as well as development incentives such as access to downtown and village center tax credits, reallocated sales taxes, and downtown transportation fund grants; priority state grant consideration; waived or lowered permit fees; and streamlined Act 250 requirements.





2014 Return on Investment in Downtowns

Public Investment: \$22,649,336

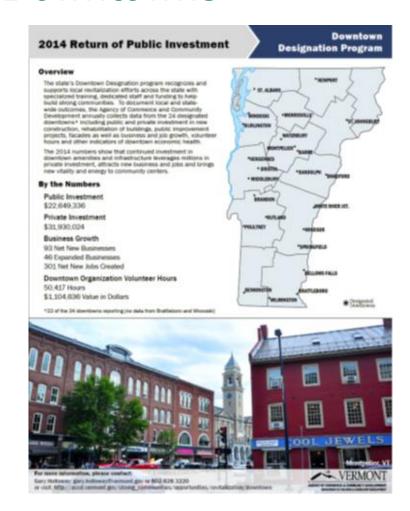
Leveraged Private Investment: \$31,930,024

Business Growth

- 93 Net New Businesses
- 46 Expanded Businesses
- 301 Net New Jobs Created

Downtown Organization Volunteer Hours

- 50,417 Hours
- \$1,104,636 Value in Dollars





Downtown Transportation Fund

Funds from VTrans

Since FY1999

- \$5.1M invested
- \$36.9M leveraged
- 99 infrastructure projects in downtowns





Village Centers

- 30% Increase in Designations in last 3 years (93 to 121)
- 200% Increase in village tax credit applications in last 2 years
- 45 tax credit projects awarded in last 5 years in 32 villages
- 55 community visits/presentations in last 2 years





Downtown & Village Center Tax Credits

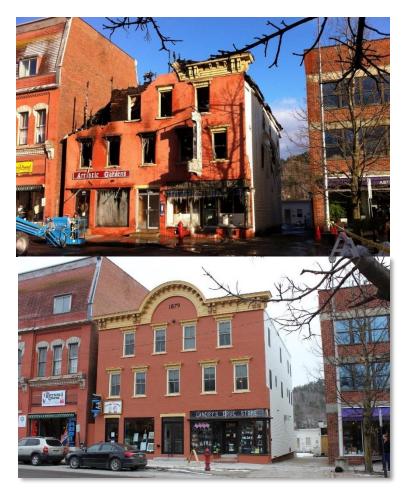
Survey Says... (39 projects)

- \$1 in state tax credit leverages \$17 in additional investment
- 44% created space for new business and 39% expanded new businesses
- 90 temporary jobs; 135 permanent jobs
- 8.8: materials, 9.2: program review, and 9.7: customer services (1-10)

2015:

27 projects supporting almost \$40M in construction

Note: \$2.2M cap; not in budget numbers





Neighborhood Development Areas





Neighborhood Development Areas

BRIGHT STREET COOPERATIVE

PROJECT DETAILS

- 42 Units (1BR to 4BR)
- Rents: \$650-\$1425 (Includes heat)
- Mixed Income
- 1.35 Acres (58% lot coverage)

PROJECT SAVINGS

Act 250 Saving: \$51,000

+3 months time

+ no risk of appeal

Wastewater Fee savings: \$4,950

Land Gains Tax: None

Prime Ag Mitigation: None



Municipal Planning Grants

Funds from Property Transfer Tax

232 municipalities served and 1,153 grants awarded since 1998

FY2016

- 72 proposals requesting \$770,000 in funding
- 45 grants awarded totaling \$478,000
- Grants range from 2,800 to 20,000



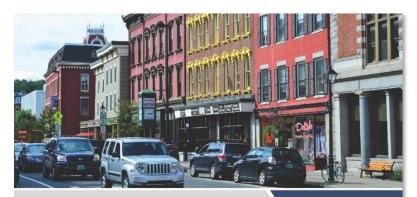


Planning Manual





Coordination with Other Agencies ...



Strong Communities, Better Connections

Grant Program

Overview

The Strong Communities. Better Connections Program (SCBC) is a multiagency partnership to align state and local investments to increase transportation options and build resilience and economic vitality in Vermont's community centers. The SCBC Program is an annual planning grant program administered by the Vermont Agency of Transportation (VTrans) in partnership with the Vermont Agency of Commerce and Community Development (ACCD). Municipalities (located outside of Chittenden County) annually compete for approximately \$200.000 in program funds. inclusive of 10% local match. Applicants are required to set up a pre-application meeting with VTrans and ACCD prior to December 18, 2015 with applications due on January 15, 2016.

The SCBC Program supports implementation-focused, municipal planning initiatives that:

- Coordinate land use decisions with transportation investments
- Advance the Federal Highway Administration (FHWA) Livability Principles;
- Support the State Planning Goals and the VTrans Vision and Strategic Plan Goals.

By providing resources and state assistance, the SCBC Program encourages communities to proactively coordinate land use decisions and transportation investments that build community resilience.

Program Goals

- Provide more transportation choices
- Support Vermont's historic settlement pattern of compact village and urban centers separated by rural countryside
- Maximize efficiency for transportation infrastructure
- Support downtown and village economic development and revitalization efforts
- Provide safe and resilient transportation system that supports the Vermont economy
- Lead directly to project implementation











...to Leverage and Coordinate Funding

- Stronger Communities Better Connections: DHCD and VTrans (\$200,000)
- EV charging station installations: DHCD and GMP (\$160,000)
- Brownfield cleanup in downtowns and villages: DHCD, ANR and EPA (\$400,000)
- Green Infrastructure Improvements: DHCD, ANR, VTrans, USFS (\$245,000)
- Vermont Economic Resilience Initiative: DHCD, ANR, VTrans, RPCs (\$500,000)
- Village Green Initiative: DHCD, ANR, PTV



Regional Planning Commissions

Funds from Property Transfer Tax

- 11 Regional Planning Commissions; \$2.9M
- Performance contract, identical measures for all RPCs
- RBA performance measures since FY2014

HIGHLIGHTS

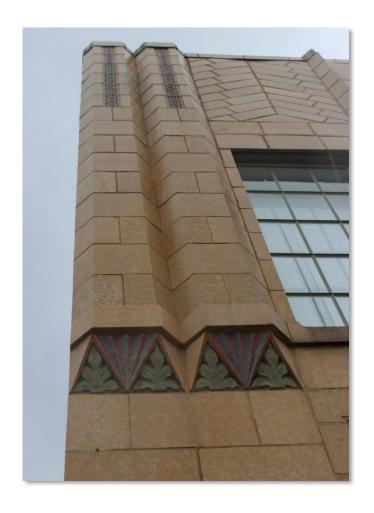
- 10 RPCs updated regional plans to meet statutory requirements (11th in early 2016)
- 258 municipalities received RPC assistance in 2016 (nearly 100%)
- 570 municipal officials attended RPC trainings



Historic Preservation

60% Federally Funded

- National & State Registers of Historic Places
- Barn Grants
- Preservation Grants
- Certified Local Government Program
- Federal Rehabilitation Investment Tax Credit Program
- Project Review
- State-owned Historic Sites





Project Review

Projects receiving federal or state funding and those applying for Act 250 or Section 248 permit

- 2,122 reviews completed in 2015
- 14,468 reviews completed 2011-2015

Federal Environmental Reviews Completed	2011	2012	2013	2014	2015
Properties meeting National Register criteria for which a written eligibility opinion is provided	64	107	428	181	544
Properties <u>not</u> meeting National Register criteria for which a written eligibility opinion is provided	29	136	53	84	102
Findings of "No Properties" and /or "No Effect" on which written opinions are provided	1,122	2,036	1,420	1,879	1,281
Other findings of "Effect" on which written opinions are provided	207	4,440	488	144	191
Memoranda of agreement signed	6	0	8	27	3
Programmatic agreements signed	1	1	1	0	1



National Register, Tax Credits and Certified Local Governments

National Register

Since 1966, over 12,000 properties listed

Federal Tax Credits

- 21 projects received \$9M in tax credits
- leveraged \$45M in investment and created 405 jobs

Certified Local Government

- Supports 14 communities to document, protect & use local historic resources
 - ~10% of federal allocation
 (2015 \$57,594)







Barn Grants

Funded via Capital Budget

- Oldest barn grant program in US
- Cumulatively, over \$3M in grants to repair and restore 368 ag buildings
- FY2016 21 grants awarded totaling \$247,134; 32 applications requesting \$378,559.





Preservation Grants

Funded via Capital Budget

- Since 1986, nearly \$4.5M in grants to restore over 550 significant community buildings such as town halls, museums, theatres, and libraries.
- FY2016 40 applications requesting over \$1.8M, competing for \$253,220.





State Historic Sites

Funded partially via capital budget, admission fees, gift shops, grants and donations

- 339,062 visitors from 2011-2015
- 10 sites open to public
- 84 buildings and structures, including:
 - 9 underwater sites
 - 2 metal lattice bridges
 - 5 covered bridges







Stronger than Irene Found Us

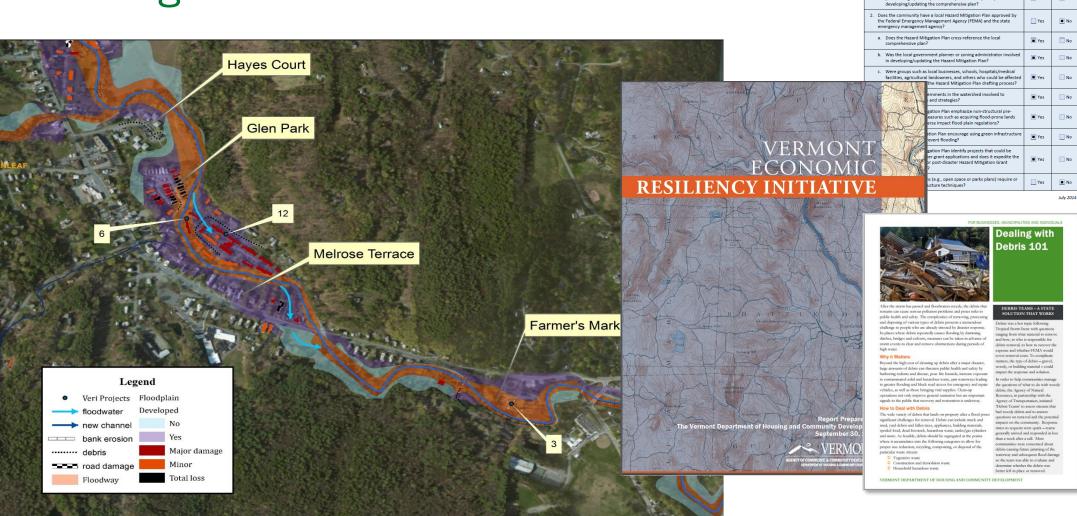
\$39.6M in CDBG-Disaster Recovery funding received in FFY12&13; over \$38M obligated to date:

- 160 grants to small businesses creating & retaining hundreds of local jobs
- 4 municipal offices relocated & rebuilt; one rehabbed & one fire station stabilized
- 136 flood damaged homes & businesses bought out & 17 recreation areas created that can flood with no cause of harm
- 27 homes rehabbed; 27 units built; 55 units of senior affordable housing replaced; 5 homes stabilized & 30 units flood-proofed
- Millions in infrastructure repaired & floodmitigated.





Stronger than Irene Found Us



FLOOD RESILIENCE CHECKLIST

No

No

b. Does the comprehensive plan identify flood- and erosion-prone

Did the local government emergency response personnel, flood plain manager, and department of public works participate in

VERMONT

Overall Strategies to Enhance Flood Resillence (Learn more in Section 2, pp. 9-11 of Plannina for Flood Recovery and Long Term Resillence in Vermont)

1. Does the community's comprehensive plan have a hazard element or flood planning section?

a. Does the comprehensive plan cross-reference the local Hazard Mitigation Plan and say disaster recovery plans?

Partnership with Communities





Improved Access to Information

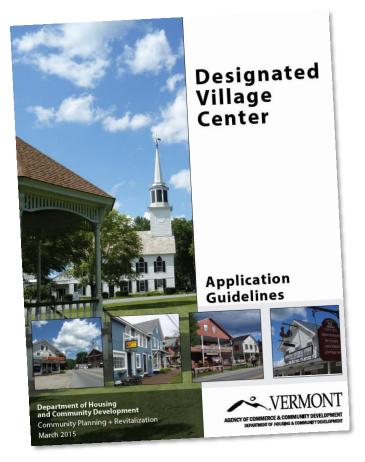
Online Resource Center (ORC)

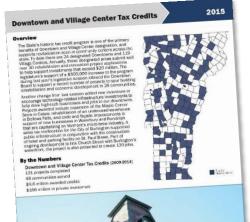
- 31,262 documents uploaded
- 383 archival boxes of documents
- 5 tons of paper

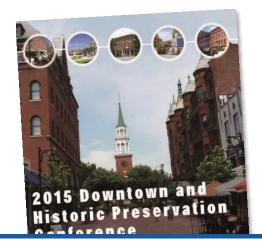




Improved Communication







Strong Communities Quarterly



Welcome

Strong Communities is a quarterly newsletter published by the Vermont Department of Housing and Community Development (DHCD) to highlight news, trends and best practices to strengthen your community. Each issue spotlights planning and revitalization successes throughout Vermont, outlines upcoming grant and training opportunities and provides tools you can use in your community. We invite your thoughts and suggestions for topics to address or

Fall 2015 Issue

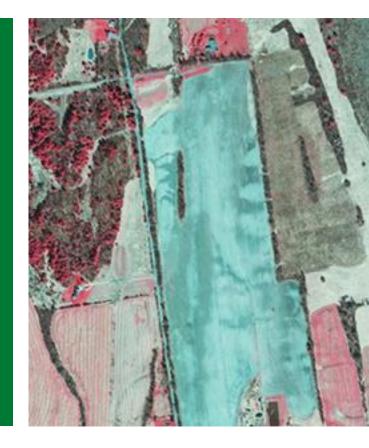
- Announcements
- Department Updates
- · Downtown Corner . Tools You Can Use
- · News and Resources

Training and Events





Vermont Center for Geographic Information



VCGI PROGRAM OVERVIEW FY2016

FUNDING

• General funds: \$177,615

Special funds: \$384,800

KEY ROLES AND RESPONSIBILITIES

- Governance of VT's Geographic Information System
- Provide access to current and historical geospatial data and information to support data-driven decision making
- Inform and educate to maximize the value of geospatial information

STAFF

• 5 FTEs



Governance of VT's Geographic Information System

VCGI works collaboratively with our partners inside and outside of State government to:

- Promote and leverage the efficient and effective use of the state's Geographic Information Technology (GIT) resources;
- Reduce redundancy and contain costs through coordination and resource sharing;
- Promote quality and consistency through standardization; and
- Improve data-driven decision making throughout state government.

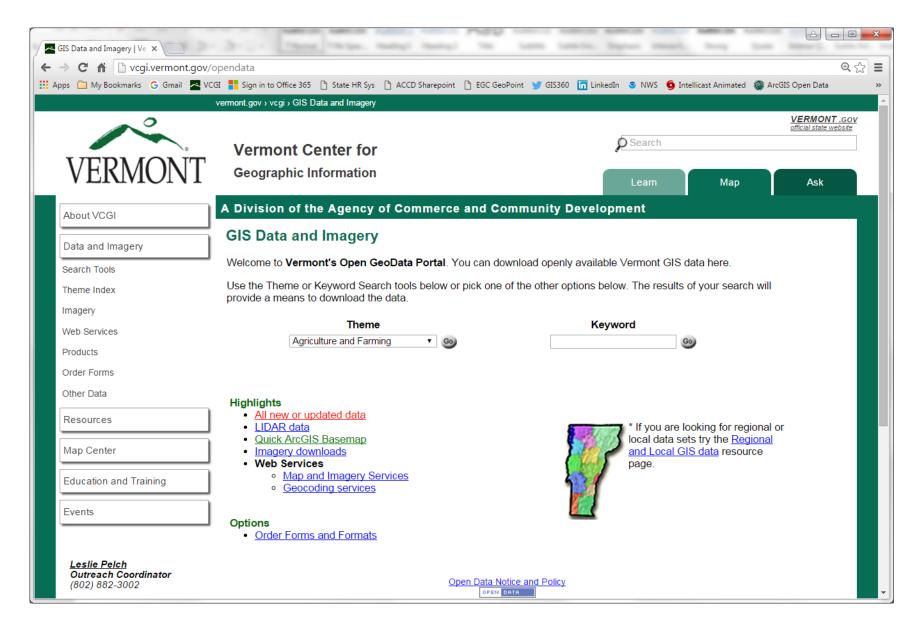


Open Access to Geospatial Data

Central Data Portal providing open access to VT's geospatial data assets

- Data is curated, cataloged and freely available to all: state agencies, businesses, municipalities, academia, and citizens
- Data comes from many sources: federal, state, regional, and municipal
 - Examples: parcels, rivers and streams, topography, town boundaries, school district boundaries, roads & bridges, water quality, infrastructure, E911, etc.







Manage VT's Imagery Program

Orthophotos: Standardize leaf-off aerial imagery meeting the specific needs of state agencies, RPCs, towns, surveyors, and businesses.





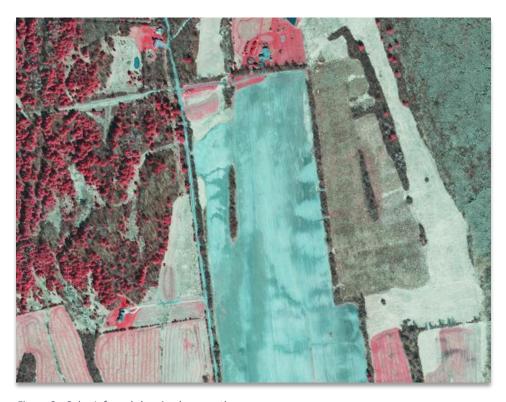


Figure 2 - Color Infrared showing bare earth



Manage VT's Imagery Program

LIDAR: High resolution elevation data supporting, flood hazard mapping, community resiliency, clean water initiatives, identification of vulnerable transportation infrastructure, solar energy potential, and many other applications.

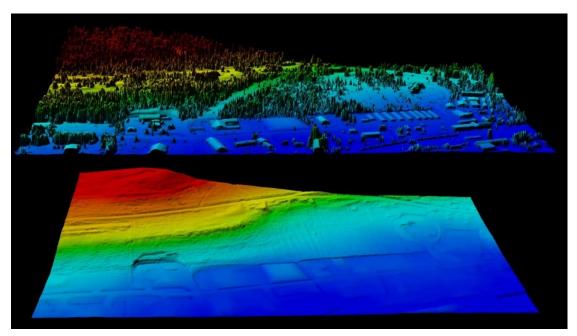


Figure 3- Elevation and Surface Model







Outreach and Education Program

VCGI's outreach and education program organizes and hosts events which help to inform and educate agencies, municipalities, businesses, and citizens

- Webinars
- Classroom Trainings
- Workshops
- Conferences



