

# ThinkVermont/MOVE (Motivate Out-of-State Visitors and Entrepreneurs)

Executive Summary - Updated February 15, 2018

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ThinkVermont/MOVE (Motivate Out-of-State Visitors and Entrepreneurs) is one strategy in the Governor's proposed interagency workforce plan to increase the number and skill level of available workers in Vermont. The Governor's proposed interagency workforce plan includes three principal strategies:

- A. Increase the Labor Participation Rate of Vermonters
- B. Recruit and Relocate More Workers to Vermont
- C. Assist Employers in Accessing and Retaining Qualified Workers

ThinkVermont/MOVE is the external, out-of-state recruitment and relocation initiative (strategy B). It is a bold, sophisticated, and measurable initiative to identify, target and relocate working age individuals, families and entrepreneurs to Vermont. As proposed, this is a sustainable, self-funding tool for shifting Vermont's demographic trajectory.

**Why Now?:** The urgent need to change the trajectory of our demographics drives this initiative. Consider this:

- We have 23,000 fewer people under the age of 20 than we did in the year 2000;
- We now have nearly 30,000 more over the age of 65 than we did in that same year;
- Outside of Chittenden County, we are just three to four years from having just one worker for every retiree, child or dependent of the state.

**Core Concept:** Vermont is the safest and healthiest state in the nation, with one of the best public education systems, and world-class outdoor recreation opportunities. This plan proposes to aggressively leverage these attributes by micro-targeting workforce age Americans in markets where Vermont's values and brand are best known. This recruitment effort will expand our tax base and reverse Vermont's current demographic trends.

**Results-Based Accountability:** Using data-driven digital tactics, we expect measurable results that will be reportable to the Governor and the Legislature. The following measures will determine the success of the program:

- Net increase in rooms and meals tax revenue
- Net increase in new tax filers
- Number of individual recruitments
- Number of employers served
- Number of new job applicants
- Number of people hired

## Components of Implementation

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### 1. Economic Development Engagement: *Recruit and Relocate Workers*

Investment: \$1,225,000

Appropriation: \$875,000 ACCD; \$350,000 VDOL

The Vermont brand is iconic. We are known for our maple syrup production and exceptional skiing. Less known, and equally important, is our supportive entrepreneurial environment, thriving tech industry, robust manufacturing sectors, and more. Through digital tools and a surgically precise social media strategy, we can hyper-target people who are most likely to consider moving to Vermont (i.e. people who grew up here but

moved away, people who studied here for college, people with a drop of Vermont in them), using fewer dollars and with measurable results.

Tactics include:

**Identify Targets (\$100,000):** We will build messaging profiles for key demographics and individual prospects in Vermont’s core markets – New England and Mid-Atlantic states and other regions— and prioritize sectors such as health care, technology, and hospitality, and target mid-career professionals and remote workers living out of state who have the professional capital or resources to work from anywhere and choose to relocate to Vermont. Individuals will have a known affinity for Vermont and have reached a key milestone in their lives that inspires them to swap their urban lifestyle for one that Vermont offers.

**Digital, Social, and Paid Media (\$440,000):** Our recruitment efforts will position Vermont in the national conversation as an east coast destination for Millennials who value outdoor recreation, local food and beverage, and who are ready to put down roots or seize the opportunity to advance quickly in their careers due to Vermont’s upcoming wave of retirements. Using the digital marketing and social media strategies deployed by our tourism and marketing department, we will send targeted messages about Vermont’s opportunities.

**Economic Development Core Marketing (\$250,000):** Continuing the foundational messaging, outreach, ThinkVermont.com portal development, and other tactics outlined in the State’s Economic Development Marketing Plan.

**Earned Media (\$60,000):** Our assets and recruitment efforts create a compelling package that will earn media coverage. We will host journalists from top-tier national media outlets and trade publications and highlight stories to secure positive press coverage in national and trade media like Forbes, Bloomberg Businessweek, Fast Company, National Public Radio, and CNN that will serve to shine a light on Vermont as the home of globally-competitive businesses, and as the safest and healthiest state in the nation with an excellent education system.

**Relocation Technology (\$25,000):** ThinkVermont.com/JOBS will host employment opportunities, labor market information, and links to state and local career, education, and training resources, etc. We will use communication tools to facilitate communication and information exchange between interested “future Vermonters” and the Vermont Department of Labor relocation specialists, such as customized job notifications via email or text, and a texting functions for “future Vermonters” to connect with a relocation agent/job placement specialist.

- ThinkVermont.com/JOBS one-time site development and upgrades – \$15,000
- Adding Texting Capabilities - \$10,000

**Relocation Specialists (\$350,000):** We will use current job placement specialists at the Department of Labor to serve as relocation agents who will provide personalized, concierge service to assist interested “future Vermonters” in finding employment and helping individuals or families become residents. VDOL’s relocation agents will also partner with the Chambers of Commerce, Vermont National Guard, and sector-specific recruitment organizations, to support specific recruitment and relocation initiatives.

Because VDOL staff already have employment expertise and duties under the federal Wagner-Peyser Act, we propose that the state provide \$350,000 in state funds to leverage the investment and allow specialists to expand services, performing work outside of the scope of the federal program. We must strictly account for the work of employees using federal funds; this state funding permits employees to charge the portion of their time performing work not allowable by federal program regulations.

- Non-federal funds to support mixed-funding of relocation agents/employment specialists – \$350,000 distributed over six (current) positions.

*NOTE: Repurpose of \$350,000 (federal funds) from personal/salary to more available on-the-job work subsidies and training funds for Youth and Adults.*

## **2. Worker Recruitment Incentives: *Sweetening the Deal***

Investment: \$1,500,000

Appropriation: \$1,000,000 to VHFA; \$500,000 ACCD

Millennials are the largest working demographic nationwide. Vermont has many attributes desirable for young professionals and families: we are the safest, healthiest state with a competitive public education system. We will target these young professionals and families with messaging and incentives to create a more appealing transition and to demonstrate our commitment to them. The results will reverse our population decline and put more children in our schools.

Tactics include:

**Incentivize Resettling in Vermont (\$1,000,000):** Allocate \$1M to the Vermont Housing Finance Agency so they can more than double the size of the existing down payment assistance program. The funding will be used, in part, to make \$5,000 grants to families purchasing their first Vermont home, a change to the existing program that requires the purchase to be a “first home.” The program is currently funded by a \$125,000 state housing tax credit that creates approximately \$600,000 of revenue per year, facilitating about 120 down payment assistance grants annually. This one-time appropriation will expand the program by 200 grants and set us up for advocating for a doubling of the tax credit in FY19 to keep the program afloat long-term.

**Other Incentives (\$500,000):** We would allocate \$510,000 to offer other incentives for out-of-state workers and families to relocate to Vermont. These include reimbursement for relocation costs for people who move to Vermont as full-time resident and a referral bonus for Vermonters who refer out-of-state people who become full-time residents (i.e. a family ski pass to a Vermont ski resort, a year supply of craft beer, cheese or maple syrup, etc.)

## **3. Economic Development Tourism: *Recruit Visitors***

Investment: \$195,000

Appropriation: \$195,000 ACCD

Because of their strong affinity for Vermont, visitors represent an obvious target audience for our ThinkVermont/MOVE recruitment effort to live, work or build a business in Vermont. Thirteen million people visit Vermont each year, many repeat visitors, and many who express an interest in living here permanently. No state is positioning itself as a place to live and work specifically to its visitors, especially the younger demographic.

Tactics include:

**Stay-to-Stay Weekends (\$150,000):** This targeted program will bring qualified participants interested in moving to Vermont for 3-day weekends connecting them to communities, jobs, employers, entrepreneurs, and neighbors -- while increasing rooms and meals tax revenue. Partnering with local chambers and young professional networks, we will launch pilot Stay-to-Stay weekends in Bennington/Shires, Brattleboro and Rutland. This program will increase rooms and meals tax revenues and create a list of potential residents that we can engage with and track.

- \$60,000 Friday night receptions
- \$40,000 incentives to encourage guest to return for another weekend
- \$50,000 paid media

**Get Connected. Stay Connected (\$45,000):** We will deploy technology that allows us to hyper-target consumers with focused messaging. These tools enable us to track when visitors arrive to Vermont utilizing GPS technology commonly available on mobile phones, and understand their interests and activities while in Vermont. These tools make it far more efficient to connect visitors with the right opportunities and the most persuasive messages.

- Re-targeting Technology: \$45,000

#### **4. Onsite Activation: *Convert Visitors to Residents***

Investment: \$260,000

Appropriation: \$260,000 ACCD

Consistently, our tourism industry partners hear from visitors a desire to move to Vermont full-time. This strategy will create a way to convert visitors to residents. When visitors are in state, we will deploy an onsite activation strategy to leverage ski resorts, breweries, distilleries, lodging properties, and attractions to convince visitors that Vermont is also an ideal place to live and work.

Tactics include:

**Local Ambassadors (\$100,000):** The Ambassador training program will educate hospitality and tourism workers to appropriately engage guests with ThinkVermont messaging.

**Arrival Hubs (\$50,000):** We will create and install video and print displays in airports, train stations, and welcome centers to engage guests with ThinkVermont messaging.

**Video Contest (\$10,000):** Create and promote a contest encouraging Vermonters to create videos about why visitors should relocate to Vermont.

**Visitor Engagement (\$35,000):** We will deploy ThinkVermont material, videos and incentives at ski resorts, breweries, distilleries, attractions, etc. and host recruitment tables during holidays and weekends.

**Lead Generation Campaign (\$15,000):** We will launch a postcard/email campaign in partnership with Vermont's lodging properties, so visitors can sign up to receive relocation incentives by email.

### **Self-Sustaining Funding**

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We anticipate that these efforts will boost rooms and meals tax revenues beyond the average annual increase. To ensure the sustainability of ThinkVermont/MOVE, we propose the following steps:

1. Determine the 5-year average increase in rooms and meals revenue.
2. Hold that amount harmless.
3. Allocate new revenue above the average to sustaining ThinkVermont/MOVE by deploying it as follows:
  - a. Use the first \$300,000 in new revenue for a 10-year period to pay down Vermont Life debt.
  - b. Use the next \$120,000 to continue to employ relocation agents.
  - c. Use any additional revenue for additional implementation of ThinkVermont/MOVE strategies.

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