

Regional Development Corporations of Vermont

Adam Grinold Brattleboro Development Credit Corporation,
and current President of the RDCs of Vermont



Testimony to Vermont House Economic Development
Committee

January 22, 2019

Dear Rep. Michael Marcotte, Chair; Rep. Jean O’Sullivan, Vice Chair; and Members of the
Committee:

Thank you very much for providing me the opportunity to introduce the Regional Development Corporations (RDCs) of Vermont for this legislative session. It is my hope that this document will provide a concise and informative overview of the RDCs and the services that we provide to enhance economic development in Vermont – primarily through developing and strengthening businesses, leading workforce development initiatives, and supporting employment statewide.

The RDCs look forward to continued partnership with the administration and the general assembly to identify shared priorities to help support Vermont businesses’ growth, increasing meaningful employment opportunities for Vermonters in both rural communities and employment centers. The RDCs see value in continued partnership in seizing economic development opportunities in our designated centers, redeveloping empty or derelict contaminated properties, and promoting development in our state’s industrial parks and centers.

Who are the RDCs?

Vermont’s twelve Regional Development Corporations (RDCs) serve as the local nexus for businesses and entrepreneurs to connect with local, state, and federal programs and resources. In a rural state like Vermont, with its many small towns and relatively few local economic development officials, the RDCs are the primary contacts for local businesses and entrepreneurs seeking assistance for their business or ideas. The respective RDCs’ service areas align closely with those of the Regional Planning Commissions.

The Department of Economic Development (DED) provides administrative funding and the RDCs provide annual workplans that align with statewide CEDS to serve every geographic region of the state. The RDCs function as “satellites” of the department, providing local knowledge and facilitating assistance in their respective communities. Our partnership with DED helps to leverage other funding to direct economic development projects in our respective regions as well as serving as the economic development delivery system for the State. All economic and workforce development is local, the RDCs have the relationships and networks that are the glue of Vermont’s economic and workforce development systems.

What is Our Role? Who are Our Partners?

The RDCs of Vermont function as the frequent entry point for businesses and entrepreneurs seeking access to business support services. The RDCs either provide these services directly, or we serve as primary conveners and conduits to connect businesses to the resources they need to grow.

Frequent RDC partners include, but are not limited to the following entities and institutions:

- VT Small Business Development Center (SBDC);
- VT Procurement and Technical Assistance Center (PTAC);
- VT Economic Development Authority (VEDA)
- VT Department of Economic Development (ACCD – DED)
- Vermont Department of Labor (DOL)
- VT Manufacturing Extension Center (VMEC)
- Regional Technical Centers
- Groups formerly operating as Workforce Investment Boards
- VT State Colleges & Universities
- Local & Regional Planning Commissions
- Municipal Leadership and Select Boards
- Chambers of Commerce – local, regional, and state

The RDCs are active participants in statewide policymaking, supporting legislation that creates opportunities for entrepreneurs and those they employ. Each year RDC directors sit on a variety of local, regional, and state boards and commissions.

What Services Do We Offer?

The RDCs of Vermont offer a wide variety of business support services on a statewide basis. In many instances the RDCs provide services directly to the client, but other times we connect the client to someone in our partner network. The RDCs continually participate in voluntary peer review efforts to assess the consistency of our service offerings statewide. The goal is to make sure that a business has access to the same menu of professional support services no matter where they are located in Vermont. Similarly, the RDCs have added professional development trainings to our work agendas to prioritize a practice of continual internal development.

Common RDC business support services include (not all-inclusive):

- Direct Business Outreach (w/DED)
- Business Planning (w/SBDC)
- Site Selection assistance + *some RDCs own commercial properties or business parks*
- Permitting Assistance
- Financing assistance + *some RDCs manage revolving loan funds*
- Workforce Training and Development Coordination
- Brownfields Redevelopment
- Economic Planning – *local plans, regional plans (including CEDS), and statewide plans*
- Business communications, e-newsletters, blog updates, social media, roundtable discussions, etc.

The annual work plans each RDC submits to DED requires and measures: Business Visitations; Available Sites Database; Business Trainings/Events, including Finance and

Workforce Development events; and, CEDS Implementation Tasks. The work plan also asks for regional challenges, goals, and communications and outreach strategies.

Common referral services that RDCs provide to connect businesses with programs and partners in Vermont's economic development system are to (not all-inclusive):

VT Small Business Development Center – *business planning and technical assistance*
VT Economic Development Authority (VEDA) – *financing*
Vermont Department of Labor (DOL) - *workforce training*
Vermont Training Program (VTP) - *workforce training*
Vermont Employment Growth Incentive (VEGI) program
VT Employee Ownership Center (VEOC) – *succession planning*
VT Procurement and Technical Assistance Center (PTAC) – *government contracting*
Regional Technical Centers

Regional Development Corporations of Vermont

Fred Kenney, **Addison County Economic Development Corporation**

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In the last year, ACEDC hosted or co-hosted 18 workshops and seminars serving over 120 clients on subjects from QuickBooks to ownership succession. Since our lending program started, ACEDC has loaned over \$5 million to more than 100 projects that invested millions of dollars in capital and created over 4,000 jobs in Addison County. Current efforts include establishing a workforce development task force, assisting several businesses with expansion plans, advancing the transformation of the agricultural economy projects, and collaborating to create a maker space at the Hannaford Career Center.

William Colvin, **Bennington County Industrial Corporation**

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BCIC and a consortium of local business leaders, institutions, and civic-minded investors have organized to transform the block of historic buildings at the Four Corners of Bennington into a vibrant, mixed use downtown space with offices, in-town living, restaurants, and retail. BCIC has acquired the buildings and approximately four acres of land that include the Putnam Hotel, the Old Courthouse/Pennysaver, the Winslow Building, Oldcastle Theatre, H. Greenberg and Son Hardware, and the Mobil Station and is working with the Bennington Redevelopment Group (BRG LLC) to restore the historic buildings and bring new retail, restaurant, residential, and office occupancies. Owing to BCIC's ownership of these properties, over \$3,000,000 in grants and loans to the project that would not have otherwise been available have been secured. The \$29,000,000 first phase of the project is slated to close and commence construction in the first quarter of 2019. Through its Workforce and Education Committee, BCIC is at the forefront of countless workforce development and career exposure activities throughout the region.

Adam Grinold, Brattleboro Development Credit Corporation

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Brattleboro Development Credit Corporation is a private, nonprofit economic development organization that serves as a catalyst for industrial and commercial growth throughout Southeastern Vermont, including Windham County and the towns of Readsboro, Searsburg, and Weston. As a CDFI certified organization, BDCC understands the economic realities our rural Vermont businesses face each day. Our team has developed the ability to support companies with their daily workforce and operational needs as well as facilitating large expansion projects such as the GSP and Chroma Projects, representing \$40mm of capital investment helping retain and create over 500 jobs in the past two years. We are committed to ensuring every employer who can grow, has the resources to stay and grow here in Southern Vermont, and that no good job goes unfilled!

Jamie Stewart, Central Vermont Economic Development Corporation

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CVEDC held our 9th annual Job Fair in April, with record numbers of vendors and over 700 job seekers in attendance. We have established a revolving loan fund and technical assistance program in the past year, including collaborations with Norwich University, NVULyndon, VMEC, and the SBDC, to serve small business needs. CVEDC has developed business collaborations for workforce training in the Granite, Healthcare, and Insurance industries. We are currently working with multiple significant business expansions to support the growth of high wage jobs in the region.

Tim Smith, Franklin County Industrial Development Corporation

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FCIDC is another step closer to completing the St. Albans Town Industrial Park Extension. A 600,000 Infrastructure Project, now complete, provides 8 more industrial parcels with municipal water and sewer; natural gas; three-phase power; and telecommunications. FCIDC is currently working with four companies who are looking to locate operations in our St. Albans Town Industrial Park. Capital investment would exceed 25 million dollars and job creation would be approximately 50 over the next five years. FCIDC just recently completed a 25 million dollar expansion for one of our tenants, Peerless Clothing; and in Swanton, a year ago, we completed a three million dollar expansion for Vermont Precision Tools. The total number of jobs being created is 75.

Frank Cioffi, Greater Burlington Industrial Corporation

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In 2018, GBIC focused significant energy on dealing with Vermont's workforce development challenge. By partnering with the Administration, DoL, ACCD, service providers, and other state leaders we have begun the process of streamlining the

programs currently delivered and working with employers to determine what opportunities or gaps exist in the system. Business retention efforts saw GBIC effectively provide key businesses with access to state training grants and employment growth incentives. Additionally, GBIC works with both developers and commercial and industrial real estate professionals to find space to meet the needs of value-added employers in our region. GBIC has developed seven industrial parks since its inception and currently operates Catamount Industrial Park in Milton, VT. Our deep history of developing in Vermont and close relationships with the State, the Regional Planning Commission, and municipalities allows us to provide support for permitting and zoning throughout Chittenden County.

Bob Haynes, Green Mountain Economic Development Corporation

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In October 2016, GMEDC and a local commercial banker organized an important forest-products sector forum that was attended by over 100 participants including: loggers, foresters, truckers, saw mill and power plant operators, land owners, legislators and staff from Vermont's congressional offices, as well as state and federal officials. This was in response to discussions with clients in the region who were experiencing financial difficulty with businesses related to the forestry industry in all aspects. A goal is to find long-term solutions to keep Vermont's forests productive and retain jobs in the forest industry.

Sheri Potvin, Lake Champlain Islands Economic Development Corporation

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LCIEDC serves all the businesses in the Lake Champlain Islands. These businesses include professional, retail, agricultural, manufacturing, and service entities. It is our strong belief that we can provide the biggest impact on the economic health of Grand Isle County by helping our existing businesses grow and thrive. We accomplish this goal by developing close relationships with our constituents and helping them find the resources available from the federal and state governments and elsewhere, to enhance success.

John Mandeville, Lamoille Economic Development Corporation

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We annually offer eight Business Skills workshops in partnership with the VtSBDC. These workshops cover topics of direct interest to small businesses and have included such topics, as "How to Read and Understand Your Financial Statements, Email Marketing for Small Business, Basic Selling Skills, The 7 Secrets of First Class Customer Service, Training for the First Time Supervisor," and many others over the course of the seven + years we have been offering these training opportunities. We were also one of the original organizers of the Fresh Tracks Capital's annual Road Pitch event and continue to coordinate the Lamoille stop for this innovative program as well as participating in all other statewide stops.

David Snedeker, **Northeastern Vermont Development Association**
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In 2018, NVDA successfully recruited a fourth small manufacturing company from Quebec to St. Johnsbury as part of the VT Quebec Enterprise Initiative. The types of businesses that have chosen VT include composites and metals manufacturers; a medical device assembler; and a warehouse and distribution operation. The proximity of northern VT to the companies' business operations in Quebec; the similar nature of existing companies in the region (workforce); and, the special attention that VT is able to provide to interested businesses at the local and state level have all been positive factors in our recruitment efforts. In 2018, NVDA also successfully obtained \$600,000 in EPA funding to conduct an environmental assessment prior to the redevelopment of commercial properties in the Northeast Kingdom. Assessments have been completed or are underway for a processing & warehouse facility in Hardwick; a distillery and a light manufacturing facility in St. Johnsbury; and a community store & café in Albany to name a few developments.

Tyler Richardson, **Rutland Economic Development Corporation**
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In 2018, through funding from the VDOL, REDC has partnered with the Rutland Region Workforce Investment Board to create the Real Careers @ Rutland County project. The goal of this project is to grow the Rutland County population with a competitive workforce through active engagement of our high school seniors and recent graduates in training and education for locally available jobs, thus creating a pipeline to competitive careers in our region and career growth opportunities. We are creating career-specific road maps clearly delineating pathways for training leading to employment, targeting the most in-demand employment sectors in our region. Two area high schools have been selected to participate in this program for Year 1, and a Career Coach has been embedded in these schools to guide the project participants.

Bob Flint, **Springfield Regional Development Corporation**
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SRDC has helped to facilitate the creation of the Black River Innovation Campus in Springfield (BRIC). The BRIC project was publicly announced in September 2018 with over \$1 million in funding at that time, including a grant from the Kauffman Foundation. In November, BRIC was awarded a \$724K EDA grant. SRDC is in the process of executing an option to purchase the former Park Street School as part of what would be a \$20 million redevelopment project to serve as the home for the BRIC project. BRIC has announced several cross-related initiatives to create a tech ecosystem in the community, including computer science education, remote work and entrepreneurship cultivation.

To conclude, the Regional Development Corporation structure provides a coordinated statewide vehicle for economic development delivery in Vermont. While there are regional

differences, we all share the same goal – to serve as the one-stop shop for existing value-added companies, including facilitation of available state resources, as well as assisting those looking to start a business, in partnership with the Small Business Development Center. This means we work with the largest employers in our regions, but also the single-person with a great idea, and everything in-between!

Please let me know what other information the RDC's, can provide. Like all of you, we appreciate the opportunity to be of service to the State of Vermont!

Sincerely,

Adam Grinold
President – RDCs of Vermont
Brattleboro Development Credit Corporation

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