



FY2020 BUDGET

Agency of Commerce and Community Development

JANUARY 2019

SECRETARY
Michael Schirling

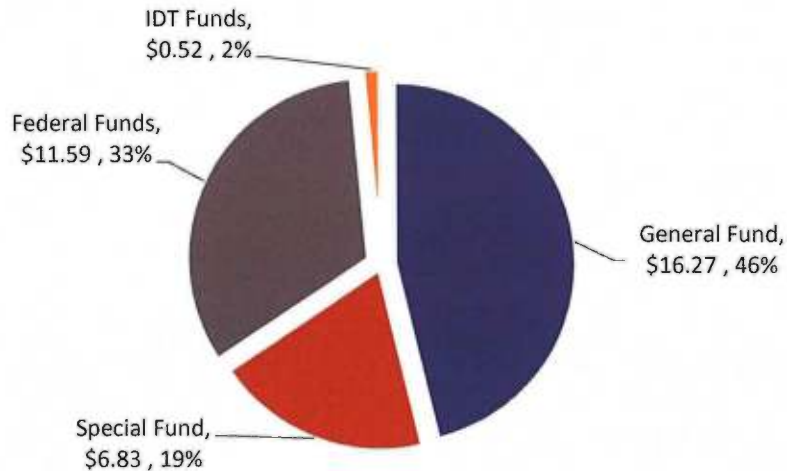
DEPUTY SECRETARY
Ted Brady

Agency of Commerce & Community Development FY 2020 Governor's Recommend Budget

MISSION: To help Vermonters improve their quality of life and build strong communities.

The Agency is engaged in activities that generate revenue to the State general fund. Our work with existing and new businesses, downtowns and communities, marketing the state for tourism, preservation of the Vermont brand and what makes us special, is all part of what generates income to state government. We are the income side of the state general ledger. Investments in ACCD are investments in income generating activity.

**Governor's Recommended Budget
FY 2020 (\$ millions)**



FY 2020 SUMMARY & HIGHLIGHTS

- Total ACCD staff 79
- 17.3% increase in General Fund
- Worker Relocation & Recruitment Package \$2M
 - ❖ \$1M for workforce recruitment including Economic Development Marketing relocation and recruitment resources, digital marketing, enhanced jobs board, new visitor conversion programs, and regional recruitment partnerships.
 - ❖ \$1M for expansion of the 2018 Remote Worker Grant Program to encompass workforce for Vermont based employers.
- USS Vermont Commissioning Ceremony \$10K

FY 2019 ONE-TIME HIGHLIGHTS

- Broadband Expansion Initiatives \$585K
 - ❖ \$540K to begin a broadband loan program through the Vermont Economic Development Authority.
 - ❖ \$45K (Act 11 Special Session) in additional funds for the ThinkVermont Innovation Grant Program to fund community broadband planning.

FY 2020 SUPPORTED INITIATIVES

- Vermont Housing Incentive Program \$1M
 - ❖ Rental housing rehabilitation program to incentivize small private apartment owners to make significant improvements to both housing quality & weatherization through small grants. This program is intended for existing properties that are vacant, blighted and in need of substantial reinvestment.
- Downtown & Village Center Tax Credit \$200K
 - ❖ Expansion of this successful program from \$2.4M to \$2.6M.

Overview

Comprehensive Agency Strategies

ILLUMINATE THE VIBRANCY OF VERMONT
Market Vermont effectively to increase the number of people visiting, living, and working here.

DEPLOY A 21ST CENTURY WORKFORCE
Develop a continuum of education and job re/training to enable a robust, modern workforce.

ENSURE HOUSING FOR ALL
Increase the availability and affordability of housing for all Vermonters.

ACCELERATE BUSINESS GROWTH & RECRUITMENT
Grow/ scale existing businesses and recruit new businesses via a network of technical assistance, access to capital and increased deal flow.

STRENGTHEN VIBRANT REGIONAL ECONOMIES & ECOSYSTEMS
Focus on place-making to develop and celebrate a shared vision across regional communities and economies, and provide the tools to build and maintain modern infrastructure.

2019 INITIATIVES

<p>Worker Recruitment and Relocation Incentive Package</p> <p>Support Vermont's vibrant communities and innovative businesses poised for growth with an infusion of talent.</p>		<p>\$2.5 M Investment</p>	<p>\$1 M Recruitment</p> <ul style="list-style-type: none"> Targeted digital marketing Enhanced jobs board Convert visitors to residents Regional recruitment partnerships 	<p>\$500,000 Relocation</p> <p>(Reloc802 by VDOL) Array of investments to assist individual relocation efforts.</p>	<p>\$1 M Incentives</p> <p>Expand Remote Worker grant program to those working for Vermont companies</p>
<p>Vermont Housing Incentive Program</p> <p>Rental housing rehabilitation program to incentivize small private apartment owners to make significant improvements.</p>		<p>\$1.2 M Investment</p>	<p>\$1 M</p> <ul style="list-style-type: none"> Revive underutilized, vacant and blighted housing stock to swiftly increase the number and quality of housing units available. Fix the land gains tax disincentive 	<p>\$200,000 Downtown Tax Credit expansion</p> <ul style="list-style-type: none"> Incremental increase in the successful Downtown Tax Credit Program, bringing the total investment to \$2.6 M 	
<p>Broadband Expansion Loan Program</p> <p>Provide a source of capital that recognizes the unique challenges facing start-up broadband providers.</p>		<p>\$585,000 Investment</p>	<p>\$540,000</p> <p>Grant to the Vermont Economic Development Authority to enable up \$10.8 M in loans over the life of the program for innovative community broadband projects.</p>	<p>\$45,000</p> <p>Expansion of funding for the 2018 ThinkVermont Innovation Grant program to invest in planning projects for community broadband.</p>	
<p>Vermont Employment Growth Incentive (VEGI) Program Modernization</p> <p>Make it easier for small businesses to access and to take advantage of the benefit.</p>		<p>\$0 Additional General Fund Appropriation</p>	<ul style="list-style-type: none"> Add a VEGI enhancement for small businesses (19 or fewer employees), benefit corporations (B-Corps) and low-profit limited liability corporations (L3Cs) Add an enhanced incentive for businesses creating jobs that support the goals of the Vermont Clean Water Act Tie the wage threshold for qualifying jobs to Vermont's Livable Wage Eliminate the LMA cap to encourage increased qualify job growth in economically disadvantaged areas of Vermont 		
<p>Permit Process Modernization</p> <p>Improve predictability in the process and encourage development in identified growth areas.</p>		<p>\$0 Additional General Fund Appropriation</p>	<ul style="list-style-type: none"> Enact Act 250 Commission recommendations concerning enhanced designations in downtowns and other designated development areas Enact Act 194 Industrial Park Zone Designation Program recommendations Make parcel data more accessible by creating a new digital repository hosted by VCGI 		

Additional Priorities

Enact **Climate Commission recommendations** relating to the Climate Economy

Amend Downtown Tax Credit statutes to comply with federal court ruling and amend technology equipment eligibility

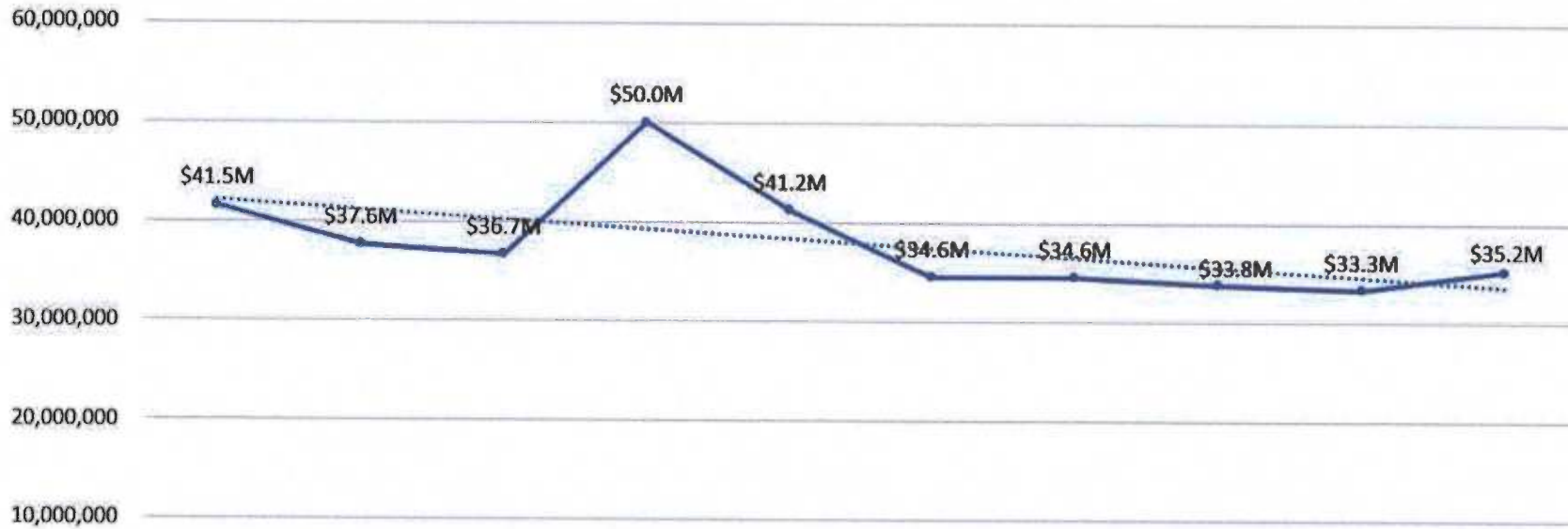
Amend spirits tax threshold (increase from \$750k to \$1.5M)

Implement recommendations from the **Act 108 Airport/Aviation Economic Development Report**



ACCD All Funds Budget - 10 Year History

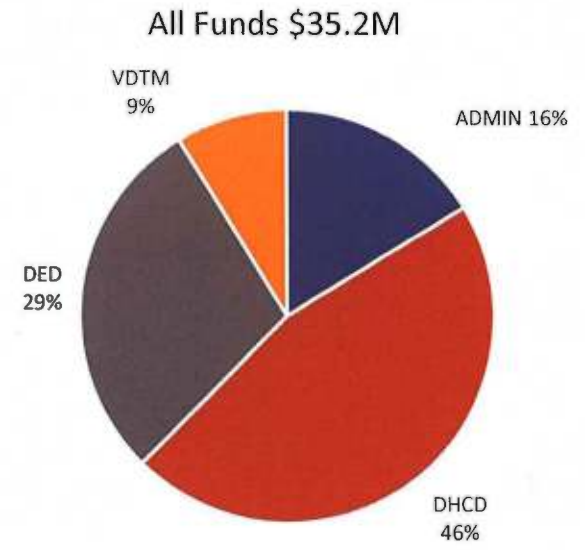
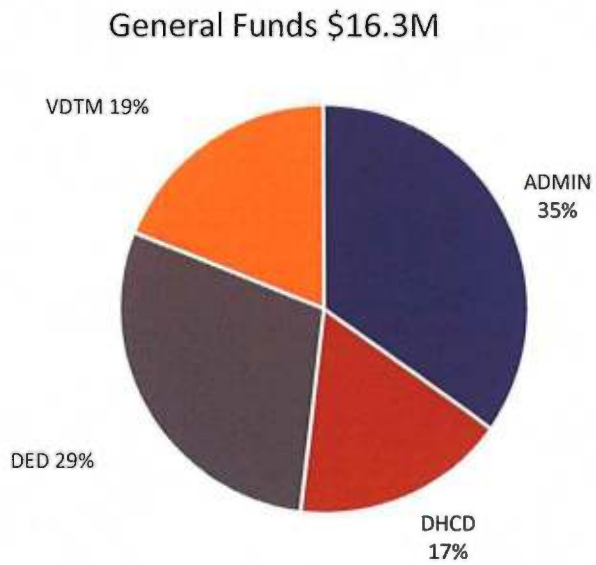
Total All Funds (\$ Millions)



	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18 BAA	FY19 BAA	FY20 Rec
Series1	41,493,934	37,618,978	36,667,844	49,965,607	41,238,824	34,562,574	34,565,517	33,849,574	33,337,768	35,212,496

- Notes:
- FY2012 Federal ARRA Funds ended
 - FY2012 Federal Neighborhood Stabilization Program ended
 - FY2014 Federal HUD Disaster Recovery Funds received (Tropical Storm Irene)
 - FY2014 Federal HUD Disaster Recovery Funds ends (Tropical Storm Irene)

ACCD – FY20 Budget by Department



**Agency of Commerce and Community Development
Agency 3 Year Summary by Department**

	FY 2020 Position Count	FY 2018 Actual	FY 2018 Budget As Passed	FY 2019 Budget As Passed	FY 2019 BAA	FY 2020 Governor Recommend
Department						
ACCD Administration	16	\$5,241,485	\$7,920,071	\$3,544,379	\$4,084,379	\$5,707,790
Economic Development	22	\$7,562,180	\$6,795,143	\$9,970,832	\$9,995,832	\$10,141,110
Housing and Community Development	33	\$17,700,633	\$15,447,935	\$15,590,575	\$15,590,575	\$16,275,891
Tourism & Marketing	8	\$3,347,168	\$3,868,276	\$3,666,982	\$3,666,982	\$3,087,705
Total	79	\$33,851,466	\$34,031,425	\$32,772,768	\$33,337,768	\$35,212,496
Fund Type						
General Funds		\$14,185,394	\$14,011,627	\$13,864,250	\$14,429,250	\$16,267,215
Federal Funds		\$11,848,721	\$9,377,628	\$10,530,056	\$10,530,056	\$11,592,110
Special Fund		\$6,966,798	\$9,594,798	\$7,617,106	\$7,617,106	\$6,830,583
IDT Funds		\$508,412	\$284,349	\$110,751	\$110,751	\$522,588
Enterprise Funds		\$342,141	\$763,023	\$650,605	\$650,605	\$0
Total		\$33,851,466	\$34,031,425	\$32,772,768	\$33,337,768	\$35,212,496

AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

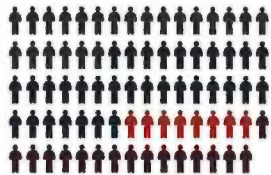
SECRETARY Mike Schirling DEPUTY SECRETARY Ted Brady

Overview

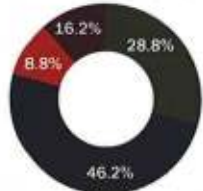
SECRETARY
Mike Schirling

DEPUTY SECRETARY
Ted Brady

STAFF: 79



FY 2020
Total Budget: \$35,212,496



- \$10,141,110 Department of Economic Development
- \$16,275,891 Department of Housing and Community Development
- \$3,087,705 Department of Tourism and Marketing
- \$5,707,790 Administration (includes Chief Marketing Office)

FY 2018 MAJOR DEPARTMENT HIGHLIGHTS

DEPARTMENT OF ECONOMIC DEVELOPMENT STAFF: 22	 \$4.7 M FY 2020 Proposed General Fund Appropriation	 \$343 M Total Capital Investment Supported	 30 Business Creations	 73 Business Expansions	 2,070 Vermont Employees Approved for Training
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT STAFF: 33	 \$2.8 M FY 2020 Proposed General Fund Appropriation	 \$17.6 M Program Dollars Invested	 \$502.2 M Total Dollars Leveraged	 5,650 Housing Units Created or Preserved	
DEPARTMENT OF TOURISM AND MARKETING STAFF: 8	 \$3.1 M FY 2020 Proposed General Fund Appropriation	 \$2.6 M Program Dollars Invested	 \$773,910 Total Dollars Leveraged	 \$2.8 B Visitor Spending	
CHIEF MARKETING OFFICE STAFF: 2	 \$254,886 FY 2020 Proposed General Fund Appropriation	 \$352,538 Market Rate of Creative Services Provided	 \$1.1M Total Value of Master Marketing Contracts Used	 142 Number of Staff in 47 Agencies, Departments, and Programs Supported	
ADMINISTRATION STAFF: 14	 \$5.5 M FY 2020 Proposed General Fund Appropriation	 \$352,627 Grant Program Dollars Invested	 \$1.9M Other Funds Leveraged	 2,565 People Reached	

FY 2020

PROPOSED GENERAL FUND APPROPRIATION
\$16.3 M

BUDGET
\$35,212,496
79 STAFF



- \$16,267,215 General Funds
- \$11,592,110 Federal Funds
- \$6,830,583 Special Funds
- \$522,588 All Other Funds

**AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT
FUND CHANGES FY19 TO FY20**

Fund Source	FY 2019 As Passed Budget	FY 2019 BAA Recommend	Increase/ (Decrease) As Passed to FY19 BAA Rec.	FY 2020 Governor's Recommend	Increase/ (Decrease) From FY 19 As Passed	FY 2020 % Incr/-Decr Over FY 19 As Passed
General Fund	\$13,864,250	\$14,429,250	\$565,000	\$16,267,215	\$2,402,965	17.3%
Federal Fund	\$10,530,056	\$10,530,056	\$0	\$11,592,110	\$1,062,054	10.1%
Special Fund	\$7,617,106	\$7,617,106	\$0	\$6,830,583	(\$786,523)	-10.3%
Inter-department Transfer Fund	\$110,751	\$110,751	\$0	\$522,588	\$411,837	371.9%
Enterprise Fund	\$650,605	\$650,605	\$0	\$0	(\$650,605)	-100.0%
Total ACCD	\$32,772,768	\$33,337,768	\$565,000	\$35,212,496	\$2,439,728	7.4%

Fiscal Year 2020 Budget Changes by Dept. - Administration By Fund

	General \$\$	Interdept'l Transfer \$\$	Total \$\$
Approp #1, Administration FY 2019 Approp	3,524,379	20,000	3,544,379
	-	-	-
Approp #1, FY 2019 Approp Amended	3,524,379	20,000	3,544,379
Personal Services			
Salary/Benefit - base increase	86,502	-	86,502
Salary/Benefit - re-classification increase covered with operating reductions	13,372		13,372
Workers Compensation - base increase	2,147	-	2,147
Financial Administrator III moved from DHCD to Administration - Salary/Benefits (Agency net neutral)	93,860	-	93,860
Worker Relocation and Recruitment -Contractual Media Services	167,000		167,000
Total Personal Services Change	362,881	-	362,881
Operating			
Insurances, VISION, ADS Alloc Fee - operating associated with position move (Agency net neutral)	3,124	-	3,124
Internal Service Fees - base increase (Insurances, VISION, ADS Allocated Fee, HR Services)	14,730	-	14,730
National Life Rent - base increase	28,048	-	28,048
Miscellaneous operating decrease to cover salary/benefit re-classification	(13,372)		(13,372)
Worker Relocation and Recruitment promotion	333,000		333,000
Base reduction in ADS projections of Agency IT costs transferred to Economic Development to assist with operating pressures (Agency net neutral)	(75,000)	-	(75,000)
Total Operating Change	290,530	-	290,530
Grants			
UVM Data Center decrease	(46,000)	-	(46,000)
VT Council on Rural Development increase	46,000	-	46,000
Worker Relocation and Recruitment	1,500,000		1,500,000
USS Vermont -commissioning ceremony	10,000		10,000
Total Grants Change	1,510,000	-	1,510,000
Total Additions/(Reductions) FY 2020 to reach Gov Rec	2,163,411	-	2,163,411
Approp #1 ACCD Administration FY 2020 Governor Recommend	5,687,790	20,000	5,707,790
Position #670117 move from DHCD to Admin \$96,984 Agency Net Neutral			

Office of the Chief Marketing Officer

2018 ACCOMPLISHMENTS

Published:

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Prepared by:

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From:

Office of the

Chief Marketing Officer,

Agency of Commerce and

Community Development

The Office of the Chief Marketing Officer (CMO) is part of the Administration Division of ACCD, but functions as a resource for all state agencies and departments. The primary function of the CMO is to provide strategic marketing and communications expertise, tactical planning support and centralized creative services to enhance the efficiency and effectiveness of marketing and outreach efforts across state government.

SERVICES OFFERED BY THE CMO TO STATE ENTITIES INCLUDE:

- Branding support (maintain brand standards and review usage)
- Marketing consulting (strategy, tactics, messaging, media planning)
- Creative services (graphic design for brochures, reports, outreach materials, tradeshow displays, etc.)
- Contract management
 - CMO approval required on all marketing contracts over \$25,000
 - Advise on development of marketing-related RFPs
 - Manage master marketing contracts, available to all state entities
 - Media Buying (1); Marketing and Creative Services (5); Photography (2)
 - Administer prequalified marketing vendor program
- Digital communications
 - Web content strategy consulting
 - Content management system template design and technical support
- Digital asset management (statewide image library)
- SOV Marketing Group (coordinate and collaborate with communications personnel from across agencies)

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Examples of master contract usage and support in 2018:

AGRICULTURE: Domestic Export Event Marketing

CHILDREN & FAMILIES: Marketing Plan for STARS Parent Campaign

ENVIRONMENTAL CONSERVATION: Waste Reduction Campaigns

FORESTS: Design Services for AMP Manual

GOVERNOR'S HIGHWAY SAFETY PROGRAM: Marketing Services

HEALTH: Branding for Home Visitation Program

HEALTH: Lead Prevention Marketing Plan

TRANSPORTATION: Amtrak Marketing Video Production

TRANSPORTATION: Creative Assets for Winter Safety Campaign

MAJOR INITIATIVES

Active management and support of the economic development marketing efforts of the Agency of Commerce and Community Development continues to be a major priority for the CMO. Activities in 2018 to promote Vermont as a great place to live, work and do business included:

- **Content and Strategy Audit of ThinkVermont.com.** Having launched in late 2017, ThinkVermont.com now serves as the central platform to 'tell the Vermont story.' The CMO and the Think Vermont project team have been evaluating the user experience on the website to date, with plans now in place to improve navigation, update and expand content, and improve technical performance of the website in the first quarter of 2019. New enhancements will include a Find a Job feature that aggregates all the available job openings in the state currently posted online, a service that currently does not exist.
- **Digital Marketing Campaign.** The CMO developed a series of digital ads to drive traffic to ThinkVermont.com in 2018, as part of pilot project to test messaging and identify target audiences. Featuring a mix of lifestyle and career imagery, the ads sported headlines such as "Redefine Rush Hour," "More Farm-to-Table Less Bumper-to-Bumper," and "More Innovation Less Aggravation."
- **Launch of the 802+YOU newsletter.** As a result of national media attention after the launch of the Stay to Stay Weekend program and the Remote Worker Grant program, individual inquiries regarding relocation options began pouring into ACCD. To maintain a dialogue with these individuals and provide encouragement to make the leap to move to the state, a new email marketing brand was created, 802+YOU. In August of 2018, the first issue of the newsletter was sent to over 10,000 subscribers and achieved a very impressive 50+% open rate. The newsletter features upcoming recruitment initiatives, profiles of Vermonters and stories of interest, as well as a representative collection of actual current job openings per issue.
- **Updated Displays at Vermont Welcome Centers.** In collaboration with BGS, the CMO has created new display panels that feature Think Vermont for the State's welcome centers. The new displays can now be seen at Williston North and South, Berlin and Sharon, with more locations to be refurbished in 2019.

MARKETING CONTRACTS, PROCESS & SUPPORT

The CMO maintains master contracts for marketing and creative services, media buying, and photography to make it easier and more efficient for state entities to enter into agreements with outside vendors when it is determined

■ ■ ■

Examples of creative services provided in 2018:

ADMINISTRATION:
Strategic Plan posters

AGRICULTURE: Domestic
Export ads and collateral

CHILDREN & FAMILIES:
Peer Support branding

COMMUNITY PLANNING:
Downtown Conference
program and collateral

ECONOMIC
DEVELOPMENT: Think
Vermont creative assets,
event collateral, Remote
Worker application

FISH & WILDLIFE: Fishing
Regulations guide (96pp)

HISTORIC PRESERVATION:
Act 250 Project Review
Process flowchart

TRANSPORTATION: Digital
advertising campaign

ANNUAL PROMOTION OF:
State Parks
Historic Sites
Vermont Days

that the required skills or capacity for a marketing-related initiative are not available in-house. When a master contractor is not the right fit for a particular marketing project, the CMO provides strategic planning and contract support to individual agencies and departments, including RFP development, proposal review and selection, and formulation of contract scope of services and deliverables. (See sidebar for 2018 examples). A full RFP process for new statewide master contracts for marketing and communications creative services was completed in 2018, with five firms chosen to provide these services to all state entities on an as-needed basis.

CREATIVE SERVICES

Many state agencies and departments who do not have dedicated communications staff look exclusively to the CMO to help them accomplish their outreach and marketing goals. The CMO's office can provide creative services from graphic design, copywriting and digital advertising to web design, content strategy and data visualization (see sidebar for 2018 examples). The centralized creative services the CMO offers results in improved quality and effectiveness of outreach materials, dollars saved, and enhanced success of marketing programs. As importantly, through centralized creative services the Vermont brand is consistently represented and messaged across state government.

In 2018, the CMO team developed an info graphic template to summary program investments, accomplishments, and reach to the Legislature, as well as proposed budgets by funding type, in a standardized format to be used at both the Department and Agency level. First developed for ACCD, the CMO team is working to encourage adoption of this template enterprise-wide.

The CMO team provided 2,350+ hours of design, production and creative services in 2018. The cost to secure these creative services (based on the hourly rates of master marketing contracts), equates to a savings of over \$350,000.

SHARED RESOURCES

In addition to the master contracts managed by the CMO for marketing and creative services, the CMO also maintains a shared image library for state-owned photography, utilized by 400+ active users who downloaded 4,276 images in 2018. In an effort to improve user experience and encourage wider usage of the entire online library, a full platform review process was initiated in 2018 to document both current pain points and desired features from staff. The vendor is currently reviewing the feedback gathered to develop an implementation plan for improvements.

Fiscal Year 2020 Budget Changes by Dept. - Housing and Community Development By Fund

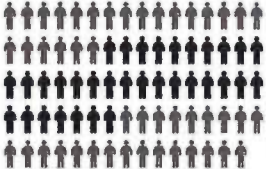
	General \$\$	Special \$\$	Federal \$\$	Interdept'l Transfer \$\$	Total \$\$
Approp #1 Housing and Community Development: FY 2019 Approp	2,760,297	4,991,756	7,747,771	90,751	15,590,575
					-
Approp #1, FY 2019 Approp Amended	2,760,297	4,991,756	7,747,771	90,751	15,590,575
Personal Services					
Salary/Benefit - base increase	175,624	22,230			197,854
Salary/Benefit - net increase	187,152		(216,805)		(29,653)
Temporary Employees		14,146		(5,425)	8,721
Workers Compensation - base increase	3,716		(1,998)		1,718
Other Personal Services	216	(15)	(8,800)	32,000	23,401
Financial Administrator III moved from DHCD to Administration - Salary/Benefits (Agency net neutral)	(93,860)				(93,860)
Personal Services Contracts	6,381	(1,473)	14,056	(5,325)	13,639
Increase in Vacancy Turnover Savings	(124,483)	141	48,567		(75,775)
Total Personal Services Change	154,746	35,029	(164,980)	21,250	46,045
Operating					
Insurances, VISION, ADS Alloc Fee - operating associated with position move (Agency net neutral)	(3,124)				(3,124)
Internal Service Fees - base increase (Insurances, VISION, ADS Allocated Fee)	13,611		7,000		20,611
Service Level Agreement (SLA)	3,738				3,738
Net Operating changes	(75,355)	1,754	30,187		(43,414)
Federal spending authority adjustment			(15,962)		(15,962)
Historic Preservation Mitigation Fund 21054 spending authority adjustment		78,500			78,500
Historic Preservation VAI/AOT and Arch Month Program completed.				(7,000)	(7,000)
Total Operating Change	(61,130)	80,254	21,225	(7,000)	33,349
Grants					
VOREC Pilot Initiative moving to Forest Parks & Recreation.	(100,000)				(100,000)
Community Planning & Revitalization VW Mitigation Funds from Agency of Natural Resources				348,000	348,000
Pilot Project Downtown Transportation Stormwater (Clean Water Fund Initiative)		100,000			100,000
Downtown Transportation Fund to cover increased administrative costs.		(21,806)			(21,806)
Community Development Block Grant.			359,755		359,755
Historic Preservation Certified Local Government			(78,730)		(78,730)
VHCB - HOME Program			(1,297)		(1,297)
Total Grants Change	(100,000)	78,194	279,728	348,000	605,922
Total Additions/(Reductions) FY 2020 to reach Gov Rec	(6,384)	193,477	135,973	362,250	685,316
Approp #1 FY 2020 Governor Recommend	2,753,913	5,185,233	7,883,744	453,001	16,275,891

Position #670117 move from DHCD to Admin \$96,984 Agency Net Neutral

Department of Housing and Community Development

COMMISSIONER
Katie Buckley

DEPUTY COMMISSIONER
Josh Hanford

STAFF: 33


**SUMMARY OF
FY 2018 IMPACTS**

\$17.6 M
PROGRAM DOLLARS
INVESTED

\$502.2 M
TOTAL DOLLARS
LEVERAGED

348
JOBS CREATED
OR RETAINED

5,650
HOUSING UNITS CREATED
OR PRESERVED

FY 2018 MAJOR DEPARTMENT HIGHLIGHTS

VERMONT COMMUNITY DEVELOPMENT PROGRAM

Administers annual federal allocation of Community Development Block Grants through a statewide competitive grant program addressing local needs in the areas of housing, economic development, public infrastructure and services.
** Based on 2.2 Persons per Household Assisted*



\$8.0 M
Program Dollars
Invested



\$126.9 M
Total Dollars
Leveraged



3,611
Low-Income Vermonters
Assisted*



426
Housing Units
Created or Preserved

COMMUNITY PLANNING AND REVITALIZATION

Provides training, technical assistance, and funding, and coordinates regional planning efforts, to help communities incent smart growth and working landscapes to bring new vitality to their community centers.
*** Based on Populations of Communities Assisted*



\$6.0 M
Program Dollars
Invested



\$360.6 M
Total Dollars Leveraged



362,949
Vermonters Reached**



200
New Jobs Created

HISTORIC PRESERVATION

The Division for Historic Preservation (VDHP) is dedicated to identifying, preserving, and interpreting historic resources on behalf of the citizens of the state and promoting them as significant components of our communities.



\$3.6 M
Program Dollars
Invested



\$14.7 M
Total Dollars
Leveraged



65,948
Annual Number of
Visitors at State-owned
Historic Sites



41
Historic Properties
Assisted

HOUSING

Coordinates state housing policy through the VT Housing Council and HUD Consolidated Plan. Administers the statutory requirements of the Mobile Home Park Program and administers the VT Charitable Housing Tax Credit.



\$72,000
Program Dollars
Invested



\$131,799
Total Dollars
Leveraged



10,881
Vermonters Served*



4,946
Housing Units
Preserved

FY 2020

PROPOSED GENERAL
FUND APPROPRIATION
\$2.8 M

BUDGET
\$16,275,891
33 STAFF



- \$2,753,913 General Funds
- \$7,883,744 Federal Funds
- \$5,185,233 Special Funds
- \$453,001 All Other Funds



Department of Housing and Community Development

COMMISSIONER
Katie Buckley

DEPUTY COMMISSIONER
Josh Hanford

STAFF: 13


**SUMMARY OF
FY 2018 IMPACTS**


















\$8.0 M
PROGRAM DOLLARS
INVESTED

\$126.9 M
TOTAL DOLLARS
LEVERAGED

148
JOBS CREATED
OR RETAINED

5,372
HOUSING UNITS CREATED
OR PRESERVED

VERMONT COMMUNITY DEVELOPMENT PROGRAM & HOUSING DIVISION (FY 2018 HIGHLIGHTS)

<p>AFFORDABLE HOUSING Grant funding for affordable housing needs including new construction, rehabilitation, preservation, homeownership, multi-family rental, and mobile home parks. <i>* Based on 2.2 Persons per Household Assisted</i></p>	 \$4.6 M Program Dollars Invested	 \$89 M Total Dollars Leveraged	 937 Vermonters Served*	 426 Housing Units Created or Preserved
<p>ECONOMIC DEVELOPMENT GRANTS Funding for economic development projects resulting in job creation and retention primarily benefiting low and moderate income residents.</p>	 \$2.3 M Program Dollars Invested	 \$35.6 M Total Dollars Leveraged	 148 Direct Jobs Created and Retained	 2 Businesses Assisted
<p>PUBLIC FACILITY AND SERVICE GRANTS Funding for infrastructure, health and safety, public access, and public services needs primarily benefiting low and moderate income residents.</p>	 \$901,000 Program Dollars Invested	 \$2.1 M Total Dollars Leveraged	 2,526 Vermonters Served by Improved Facilities	 9 Communities Served
<p>PLANNING GRANTS Funding for planning needs in one or more of the VCDP areas of eligibility: housing, economic development, public facilities, and services. <i>** Based on Populations of Communities Assisted</i></p>	 \$130,500 Program Dollars Invested	 \$25,336 Total Dollars Leveraged	 36,273 Vermonters Reached**	 5 Communities Served
<p>MOBILE HOME PARK PROGRAM Coordinates state housing policy. Administers the statutory requirements of the Mobile Home Park Program and administers the VT Charitable Housing Tax Credit.</p>	 \$72,000 Program Dollars Invested	 \$131,799 Total Dollars Leveraged	 10,881 Vermonters Served*	 4,946 Housing Units Preserved

FY 2020

PROPOSED GENERAL FUND APPROPRIATION
\$705,922

BUDGET
\$8,481,453
13 STAFF



- \$705,922 General Funds
- \$7,295,200 Federal Funds
- \$480,331 Special Funds




Department of Housing and Community Development

COMMISSIONER
Katie Buckley

DEPUTY COMMISSIONER
Josh Hanford

STAFF: 6



**SUMMARY OF
FY 2018 IMPACTS**

\$6.0 M
PROGRAM DOLLARS
INVESTED

\$360.6 M
TOTAL DOLLARS
LEVERAGED

200
JOBS CREATED
OR RETAINED

213
HOUSING UNITS CREATED
OR PRESERVED

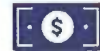
COMMUNITY PLANNING AND REVITALIZATION (ANNUAL HIGHLIGHTS)

**DOWNTOWN AND VILLAGE
CENTER TAX CREDITS**

The tax incentives support new construction and encourage investments to make older and historic buildings safe and accessible.



\$2.8 M
Program Dollars
Invested



\$324 M
Total Dollars
Leveraged



21
Tax Credit Projects

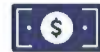


213
Housing Units
Created or Preserved

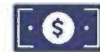
**DOWNTOWN
TRANSPORTATION FUND**

The Downtown Transportation Fund improves sidewalks and other public spaces and stimulates private investment.

All data for calendar year 2018



\$334,274
Program Dollars
Invested



\$625,128
Total Dollars
Leveraged



30,967
Vermonters Served*

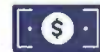


5
Communities Served

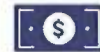
DOWNTOWN PROGRAM

The Downtown Program provides communities with financial incentives, training, and technical assistance supporting local efforts to encourage economic development.

All Data for calendar year 2017



\$2.4 M
Program Dollars
Invested



\$35.9 M
Total Dollars
Leveraged



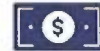
192,097
Vermonters Reached**



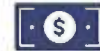
200
Net New Jobs Created

**MUNICIPAL PLANNING
GRANTS**

Municipal Planning Grants support local planning and community revitalization initiatives that build strong communities and improve Vermonters' quality of life.



\$450,265
Program Dollars
Invested



\$115,095
Total Dollars
Leveraged



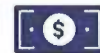
139,885
Vermonters Reached**



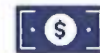
38
Communities Served

**REGIONAL PLANNING
COMMISSIONS**

Twelve Regional Planning Commissions partner with the State to provide technical assistance, access to state programs and resources, and local expertise.



\$2.9 M
Program Dollars
Invested



\$8 M
Total Dollars
Leveraged



625,741
Vermonters Reached**



262
Communities Served

FY 2020

PROPOSED GENERAL
FUND APPROPRIATION

\$500,347

BUDGET
\$4,979,213
6 STAFF



- \$500,347 General Funds
- \$4,025,865 Special Funds
- \$453,001 Other Funds

* Based on 2.2 Persons per Household Assisted


** Based on Populations of Communities Assisted



Department of Housing and Community Development

COMMISSIONER
Katie Buckley

DEPUTY COMMISSIONER
Josh Hanford

STAFF: 14


**SUMMARY OF
FY 2018 IMPACTS**

\$3.6 M
PROGRAM DOLLARS
INVESTED

\$14.7 M
TOTAL DOLLARS
LEVERAGED

124,976
PERSONS SERVED

65
HOUSING UNITS CREATED
OR PRESERVED

HISTORIC PRESERVATION (FY 2018 HIGHLIGHTS)

**REHABILITATION
INVESTMENT TAX CREDITS**

The largest federal program supporting preservation, Historic Tax Credits generate jobs, enhance property values, create affordable housing, and are the most effective programs to promote preservation and community development.



\$1.8 M

Program Dollars Invested



\$11.8 M

Total Dollars Leveraged



143

Vermonters Served



65

Housing Units Created or Preserved

CAPITAL GRANT PROGRAMS

Provided through the Capital Construction Budget, grants provide funds for preservation of municipal buildings, historic agricultural buildings (barn grants), and open the underwater preserves in Lake Champlain.



\$626,864

Program Dollars Invested



\$2.4 M

Total Dollars Leveraged



58,885

Vermonters Reached



82

Communities Served

STATE-OWNED HISTORIC SITES

The Historic Sites Program encourages the discovery and appreciation of the state's rich heritage through the stewardship and interpretation of historic sites that evoke an authentic sense of time and place.



\$1.2 M

Program Dollars Invested



\$508,641

Total Dollars Leveraged



65,948

Annual Number of Visitors at State-owned Historic Sites



83

Buildings Owned or Stewarded

PROJECT REVIEW

VDHP has a team of 5 reviewing a project's potential impacts to historic buildings, districts, landscapes, and archaeological resources. Reviews are required for projects involving federal funding (Section 106), state involvement (22 VSA chap 14), and Certificates of Public Good.



261

Act 250 Projects Reviewed



52

Solar, Wind and Energy Projects Reviewed



94%

Project Reviews Completed within 30-day Statutory Deadline



2,075

Project Applications Cleared

FY 2020

PROPOSED GENERAL FUND APPROPRIATION

\$986,676

BUDGET
\$2,254,257
14 STAFF



- \$986,676 General Funds
- \$588,544 Federal Funds
- \$679,037 Special Funds



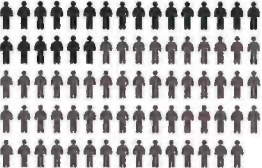
Fiscal Year 2020 Budget Changes by Dept. - Economic Development By Fund

	General \$\$	Special \$\$	Federal \$\$	Interdept'l Transfer \$\$	Total \$\$
Approp #1, Economic Development FY 2019 Approp	4,563,197	2,625,350	2,782,285	0	9,970,832
Approp #1, FY 2019 Approp Amended	4,563,197	2,625,350	2,782,285	-	9,970,832
Personal Services					
Salary/Benefit - base increase	89,696	11,028	187,335		288,059
Salary/Benefit net increase covered by operating & grant reductions	87,155				87,155
Other Personal Services - DOL Apprenticeship Expansion Program				45,000	45,000
Workers Compensation - base increase	1,100	58	719		1,877
Vacancy Turnover Savings	(25,318)		(3,960)		(29,278)
Contracted Service: DOD: Economic Adjustment Assistance Federal Award Increase- Additive Manufacturing Partnership			146,100		146,100
Contracted 3rd Party Services	400	(25,381)	400		(24,581)
Total Personal Services Change	153,033	(14,295)	330,594	45,000	514,332
Operating					
Internal Service Fees - base increase (Insurances, VISION, ADS Allocated Fee)	14,501	12,182	8,574		35,257
Service Level Agreement (SLA)	3,191				3,191
ACCD-Admin transfer to meet additional operating expenses (Agency net neutral)	75,000				75,000
Net Operating changes	(40,148)	2,113	124,169		86,134
Total Operating Change	52,544	14,295	132,743	-	199,582
Grants					
Grant reduction - Job Zones	(1,380)				(1,380)
Grant reduction - Brattleboro Development Credit Corporation (aka SeVEDS)	(25,000)				(25,000)
Grant reduction - Entergy Windham Cty Econ Dev Fund (21898) Reduction due to use of Cash Receipts		(1,000,000)			(1,000,000)
Grant increase - Newport Economic Development EB-5 Settlement (\$20,000 per year for 5 years). Misc Fines & Fees Special Fund (21054).		20,000			20,000
Grant increase - EPA Brownfield Assessment & Cleanup Award			500,000		500,000
Grant decrease - SBA State Trade & Export Promotion (Int'l Trade - STEP) - program shift from grants to operating (trade shows).			(37,256)		(37,256)
Total Grants Change	(26,380)	(980,000)	462,744	-	(543,636)
Total Additions/(Reductions) FY 2020 to reach Gov Rec	179,197	(980,000)	926,081	45,000	170,278
Approp #1 FY 2020 Governor Recommend	4,742,394	1,645,350	3,708,366	45,000	10,141,110

Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

STAFF: 22


SUMMARY OF
FY 2018 IMPACTS





















\$343 M
TOTAL CAPITAL
INVESTMENT SUPPORTED

30
BUSINESSES
CREATIONS

73
BUSINESSES
EXPANSIONS

2,070
EMPLOYEES
APPROVED FOR
TRAINING

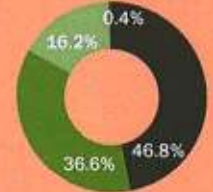
FY 2018 MAJOR DEPARTMENT HIGHLIGHTS

<p>VERMONT TRAINING PROGRAM (VTP) Funding available to employers to defray a portion of the expenses of training personnel. Can be vendor training or on the job.</p>	 \$1.2 M General Fund Appropriation	 36 Total Businesses Served	 2,070 Vermont Employees Approved for Training	 4.2% Median Wage Increase
<p>WINDHAM COUNTY ECONOMIC DEVELOPMENT PROGRAM (WCEDP) Grants, loans, and incentives using 5-year funding provided through the Entergy/State MOU to promote economic development in Windham County.</p>	 \$9.1 M Program Dollars Invested (since 2014)	 \$2.5 M Loans, Grants, and Incentives Obligated (2018)	 157 Jobs Created (2018)	 10 Businesses and Nonprofits Directly Impacted (2018)
<p>REGIONAL DEVELOPMENT CORPORATIONS (RDC) Twelve Regional Development Corporations partner with the State to provide technical assistance, access to state programs and resources, and local expertise.</p>	 \$1.3 M General Fund Appropriation Grants	 30 Business Creations	 73 Business Expansions	 1,486 Jobs Impacted (created and retained)
<p>PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC) Team of 7 located throughout the state to help businesses secure contracts from local, state, and federal government.</p>	 \$801,852 Federal Funds and General Fund Appropriation	 \$120 M Total Dollar Value of Contracts Assisted	 1,587 Businesses Receiving Counseling	 1,627 Number of Contracts Won
<p>CAPTIVE INSURANCE Market to global businesses to domicile their captive insurance company in Vermont.</p>	 \$530,350 Special Funds (FY18)	 \$26.1 M Taxes and Fees Generated (2017)	 25 Captives Licensed (2018)	 558 Number of Active Captives

FY 2020

PROPOSED GENERAL FUND APPROPRIATION
\$4.7 M

BUDGET
\$10,141,110
22 STAFF



- \$4,742,394 General Funds
- \$3,708,366 Federal Funds
- \$1,645,350 Special Funds
- \$45,000 All Other Funds








Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

EXECUTIVE DIRECTOR
VERMONT ECONOMIC
PROGRESS COUNCIL
Megan Sullivan

STAFF: 2






HIGHLIGHTS

\$22.6 M
VEGI DISBURSEMENTS
(2007-2016)

\$94.2 M
NET NEW REVENUE
TO DATE (TIF & VEGI)

\$59,346
AVERAGE WAGE OF
VEGI JOBS CREATED

65%
VEGI PARTICIPANTS WITH
UNDER 75 EMPLOYEES

VERMONT ECONOMIC PROGRESS COUNCIL (VEPC)

**VERMONT EMPLOYMENT
GROWTH INCENTIVE (VEGI):
CALENDAR YEAR 2016**

Actual data from calendar year 2016
** Data is reported on a 2-year lag, so
claims for 2016 were filed with tax
in April 2017 and reported to VEPC
in 2018. Later in 2019, we will have
access to 2017 data.*


\$4.2 M
Net New Revenue
to the State, Total


\$35.9 M
Qualifying Direct
New Payroll, Total


693
Qualifying Direct
New Jobs, Total


\$58.2 M
Qualifying Direct Capital
Investment, Total

**VERMONT EMPLOYMENT
GROWTH INCENTIVE (VEGI):
PROJECTIONS 2017-2021
(5 YEARS)**

Projections are based on participant
data as of December 31, 2018.


\$9.3 M
Net New Revenue
to the State, Total


\$45.2 M
Qualifying Direct
New Payroll, Total


1,030
Qualifying Direct
New Jobs, Total


\$230.8 M
Qualifying Direct Capital
Investment, Total

**TAX INCREMENT
FINANCING (TIF):
FISCAL YEAR 2017**

Figures for all TIFs for fiscal year
2017 (July 1, 2016-June 30, 2017)
*** Data is reported to VEPC annually
by February 15. Fiscal year 2018
data will be reported to the
Legislature by April 1, 2019*


\$8.2 M
Total Incremental
Revenue


\$636,000
Net Incremental Revenue
to Education Fund


\$5.9 M
Public Infrastructure
Investment


\$17.7 M
Increase in Property
Values

**TAX INCREMENT
FINANCING (TIF):
PROJECTIONS**

Figures for all TIFs from FY2018
through FY2038. Data includes
newly approved TIF districts in
Bennington and Montpelier.


\$289.8 M
Total Incremental
Revenue


\$45.6 M
Net Incremental Revenue
to Education Fund


\$214.3 M
Public Infrastructure
Investment


\$511.8 M
Increase in Property
Values

FY 2020

PROPOSED GENERAL
FUND APPROPRIATION
\$253,087

BUDGET
\$268,087
2 STAFF



- \$253,087 General Funds
- \$15,000 Special Funds

The Vermont Economic Progress Council serves as an approval and authorization body for the VEGI and TIF programs.

VEGI: Performance-based cash incentive (not a tax credit) paid to approved companies for prospective job and payroll creation in any region of the state and in almost any sector.

TIF Districts are a public infrastructure financing tool for municipalities to encourage public and private real property development or redevelopment.



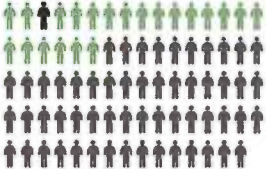
Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

DIRECTOR OF FINANCIAL SERVICES
Ian Davis

STAFF: 1



















SUMMARY OF 2018 IMPACTS

25
CAPTIVES LICENSED

\$26.1 M
TAXES & FEES
GENERATED (2017)

558
ACTIVE CAPTIVES

CAPTIVE INSURANCE (2018 HIGHLIGHTS)				
<p>"THE GOLD STANDARD" Experience. Expertise. Innovation.</p>	 38 Year-History of Captive Insurance	 1,137 Captives Licensed (since 1981)	 >\$500 M Taxes and Fees Generated (since 1981)	 22 Approved Captive Management Firms
<p>ACCOLADES Since 1981, Vermont has been at the forefront of the captive insurance industry.</p>	 #1 U.S. Domicile	 #3 Domicile in the World	 5x U.S. Domicile of the Year	 #1 Non-E.U. Domicile of the Year
<p>VERMONT'S CAPTIVES BY THE NUMBERS We seek to attract quality companies and regulate them in a manner commensurate to the risks being underwritten.</p>	 \$194 B Assets Under Management	 \$21.7 B Gross Written Premium	 42 of the Fortune 100	 15 of the Dow 30
<p>MARKETING ACTIVITIES Recruitment, retention and expansion.</p>	 25+ National and International Speaking Engagements	 7,000+ VT Captive Subscribers	 1.5 M Digital Marketing Impressions	 1 M+ Reach of Vermont Report

FY 2020
PROPOSED GENERAL FUND APPROPRIATION
\$530,350

BUDGET
\$530,350
1 STAFF



100.0%

- \$530,350 Special Funds

FINANCIAL SERVICES (CAPTIVE INSURANCE)

Promotes Vermont's leading position as the top U.S. domicile for captive insurance and seeks out new and diversified opportunities in complimentary financial services industries. Strategies include the development and implementation of marketing plans, providing policy recommendations to state and federal policymakers to assure a beneficial business environment for expansion and relocation within the state, and acting as a spokesperson on behalf of Vermont to the global captive insurance industry.



as of 01.28.19

Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

DIRECTOR, WORKFORCE DEVELOPMENT PROGRAMS (VERMONT TRAINING PROGRAM)
John Young

STAFF: 1.5























SUMMARY OF FY 2018 IMPACTS

36
TOTAL BUSINESSES SERVED

\$2.7 M
TOTAL TRAINING GRANTS AWARDED

2,070
VERMONT EMPLOYEES APPROVED FOR TRAINING

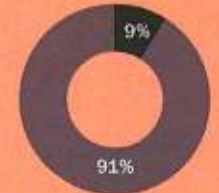
VERMONT TRAINING PROGRAM (FY 2018 HIGHLIGHTS)

FY18 OVERVIEW	 \$1.2 M General Fund Appropriation	 36 Total Businesses Served	 2,070 Vermont Employees Approved for Training	 4.2% Median Wage Increase	 \$1,299 Average Cost Per Employee
VERMONT REGIONS SERVED Total Grant Dollars	 \$1,005,891 Northwest	 \$118,938 Northeast	 \$794,940 Central	 \$568,189 Southwest	 \$81,750 Southeast
VERMONT REGIONS SERVED Number of Employees Approved for Training	 709 Northwest	 178 Northeast	 508 Central	 518 Southwest	 150 Southeast
EMPLOYER SIZE SERVED	 9 Employers Served with 0-19 Employees	 5 Employers Served with 20-49 Employees	 7 Employers Served with 50-99 Employees	 18 Employers Served with 100+ Employees	 38% Employers Served with 0-49 Employees

FY 2020

PROPOSED GENERAL FUND APPROPRIATION
\$1.2 M

BUDGET
\$1,328,600
1.5 STAFF



- \$120,859 General Funds [operational]
- \$1,207,741 General Funds [grant]

VERMONT TRAINING PROGRAM (VTP)

VTP partners with employers and training providers to train Vermont's employees for the jobs of tomorrow. VTP provides performance based workforce grants for pre-employment training, training for new hires and incumbent workers. Training can either be on-site or through a training provider/vendor. Grants may cover up to 50% of the training cost.



AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

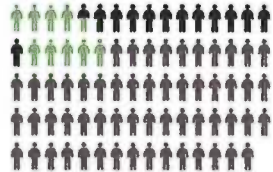
SECRETARY Mike Schirling DEPUTY SECRETARY Ted Brady

Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

STAFF: 12.5



REPRESENTATIVE SUCCESSES

BROWNFIELDS

Recent projects include Roberston Paper Mill (Bellows Falls), Rutland County Parent Child Center and Putnam Block (Bennington)

OEA

Accelerating growth and innovation in the Vermont defense industry supply chain

STEP

Helped cover costs for Exportech training for 32 businesses

NBRC

Funded Fairfax extension of wastewater to Runamok Maple (Cambridge), 100+ jobs projected

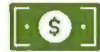
PTAC

Assisted several businesses through HUBZone certifications increasing the state's participation in the program by almost 50%.

FEDERAL GRANT PROGRAMS AND BUSINESS SUPPORT (FY 2018 HIGHLIGHTS)

BROWNFIELDS

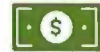
Funding awarded by the Environmental Protection Agency to support redevelopment of brownfields into productive community assets. Funds are provided as grants to non-profits or low-interest loans to for-profit entities.



\$5.3 M
Federal Awards
(to date)



\$4.5 M
Funds Awarded to
Redevelopments (to date)



\$69.2 M
Redevelopment Dollars
Leveraged (to date)



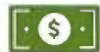
28
Property Clean-ups
Complete



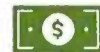
5
Property Clean-ups
Underway

OFFICE OF ECONOMIC ADJUSTMENT (OEA)

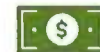
Funding awarded by Department of Defense to help defense-related businesses develop new capabilities to help them weather defense spending downturns.



\$2.0 M
Federal Awards
(to date)



3
Awards Secured



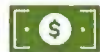
\$115,344
Funds Expended on
Capability Enhancements



22
Businesses Served

STATE TRADE EXPANSION PROGRAM (STEP)

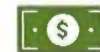
Funding awarded by Small Business Administration to help businesses win more opportunities to export.



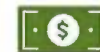
\$244,200
Federal Award



72
Businesses Assisted



\$1.6 M
Export Sales Reported



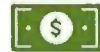
\$28.0 M
Export Sales Projected

NORTHERN BORDER REGIONAL COMMISSION (NBRC)

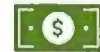
Grant funds available to non-profits in Caledonia, Essex, Franklin, Grand Isle, Lamoille and Orleans counties for primarily infrastructure projects.



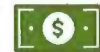
180
Jobs Created or
Retained



\$2.9 M
Federal Dollars
Invested



\$10.5 M
Federal Dollars
Invested (since 2010)



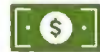
\$4.7 M
Private Dollars
Invested (since 2010)



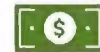
20
Community Projects
Served

PROCUREMENT TECHNICAL ASSISTANCE CENTER (PTAC)

Team of 7 located throughout the state to help businesses secure contracts from local, state, and federal government.



\$801,852
Federal Award



\$120 M
Total Dollar Value of
Contracts Assisted



1,587
Businesses Receiving
Counseling

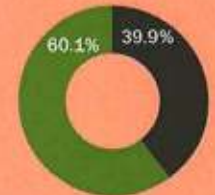


1,627
Number of Contracts Won

FY 2020

PROPOSED GENERAL
FUND APPROPRIATION
\$2.4 M

BUDGET
\$6,167,903
12.5 STAFF



- \$2,459,537 General Funds
- \$3,708,366 Federal Funds

Federal grant programs bring various resources to foster economic development around the state.



as of 01.28.19

Department of Economic Development

COMMISSIONER
Joan Goldstein

DEPUTY COMMISSIONER
Brett Long

STAFF: 1.5



REPRESENTATIVE
SUCCESSSES

UVM OFFICE OF TECHNOLOGY
COMMERCIALIZATION

Recipient of Venture Funds, Chris Callahan's DewRight™ Psychrometer, was licensed to VERMONT ENERGY CONTROL SYSTEMS who is working to implement and test the technology. The licensee, a Vermont company, has already developed clientele and received royalties for test units.

BENCHMARK SPACE SYSTEMS, a startup company formed around UVM developed technology, in the field of aerospace manufacturing, has raised \$1.1M in funding and recently been awarded an SBIR Phase I Grant. Benchmark has 5 full time employees, 3 of whom relocated here from outside Vermont.

ECONOMIC DEVELOPMENT PASS-THROUGH GRANTS (FY 2018 HIGHLIGHTS)

VERMONT CENTER FOR
EMERGING TECHNOLOGIES

Funding provides entrepreneurs and emerging growth firms with substantive mentoring, technical assistance, co-working facilities and management of the Vermont Seed Capital Fund.



SOUTHEASTERN VT ECONOMIC
DEVELOPMENT STRATEGY

Funding supports the reversal of Windham County's economic decline by developing the regional economy to generate long-term growth and prosperity, and improve the quality of life and place.



VERMONT EMPLOYEE
OWNERSHIP CENTER

Funding supports guidance and referrals to owners and employees interested in forming employee-owned businesses.



VERMONT SMALL BUSINESS
DEVELOPMENT CENTER

Funding strengthens the ability of Vermont small businesses to: create jobs, secure capital, build wealth, use technology to improve efficiency, assist with continuity of operations planning and make connections.



UVM OFFICE OF TECHNOLOGY
COMMERCIALIZATION

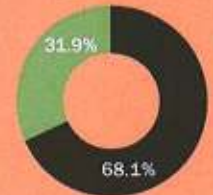
Funding promotes an innovation ecosystem that supports economic development in Vermont by stewarding UVM discoveries through the commercialization process.



FY 2020

PROPOSED GENERAL
FUND APPROPRIATION
\$427,060

BUDGET
\$627,060
1.5 STAFF



- \$427,060 General Funds
- \$200,000 Special Funds

Pass-through grant programs stimulate economic development in specific regions and sectors of high-demand while capitalizing on the skills, expertise and resources of partner organizations.

"The UVM Ventures Innovation award was used to build a prototype at a time when we needed financial support to demonstrate the feasibility of our concept. The funds we received helped us build and test our prototypes, and then leverage the results of those tests into additional funding, both through private investment and federal grant programs."

— Ryan McDevitt, Benchmark Space Systems



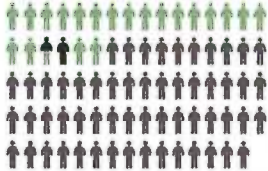
Department of Economic Development

COMMISSIONER OF ECONOMIC DEVELOPMENT
Joan Goldstein

COMMISSIONER OF TOURISM AND MARKETING
Wendy Knight

















CHIEF MARKETING OFFICER
Heather Pelham

THINK VERMONT PROJECT MANAGER
Elaine Haney

STAFF: 1.5


WHAT IS THINK VERMONT?
ThinkVermont is a marketing initiative to tell the story of Vermont in a variety of ways to attract and retain people and businesses to the state.

ThinkVermont.com is a web platform designed to encourage out-of-staters to move to Vermont or open a business here. Its themes—Live, Grow, Work, and Play—showcase the many resources and assets that make living in Vermont special. Key industries like IT, manufacturing, healthcare, and outdoor recreation are featured alongside major regional employers, funding opportunities, and job search resources.

THINK VERMONT (SINCE LAUNCH 10/21/17-10/20/18)				
OUR REACH SOCIAL & WEB	 100,000+ New Users on Website	 159% Increase in Website Session Time	 64% Increase in Social Media Followers	 146% Increase in Social Media Engagements (18,900 total engagements)
OUR REACH THINK VERMONT AMBASSADORS AND NEWSLETTERS	 583 ThinkVermont Ambassadors, Reaching 415,548 People	 1,780 Number of Posts Shared by Think Vermont Ambassadors	 51.5% Open Rate for First 802+YOU Newsletter	 13,681 Total Subscribers to 802+YOU, DED and Stay to Stay newsletters
OUR REACH REMOTE WORKER EARNED MEDIA	 959+ Number of Media Articles Published in Print, Online, and on Broadcast TV	 2,500+ Inquiries Received as of October 31st	 1.7 B Total Impressions	 \$4.9 M Advertising Dollar Equivalency of National Earned Media Achieved
OUR REACH EVENT SERIES	 500+ Attendees at Think Vermont Events in FY18	 FY18 Topics Opportunity Zones, Innovation Spaces, Tech Transfer, Placemaking	 FY19 Topics Film & TV Production, SBIR Funding, Housing Data, International Trade	 10 Events Planned for FY19

WHAT'S NEXT?

NEW GRANT PROGRAMS
\$125,000
Remote Worker Grant Program
 Funding available to reimburse eligible remote workers who relocate to Vermont after January 1, 2019 and incur qualifying expenses.

\$150,000
Think Vermont Innovation Grants
 Funding available for innovative projects aimed at helping Vermont small businesses grow.

NEW INITIATIVES

ThinkVermont Jobs Board
 ThinkVermont.com will host a searchable real-time database of available Vermont jobs that draws from employers, classifieds, and online resources.

Enhanced Demographic Targeting
 Digital and social media efforts will be enhanced by employing state of the art targeting software to refine key demographics and identify individual prospects for recruitment.



Fiscal Year 2020 Budget Changes by Dept. - Tourism and Marketing By Fund

	General \$\$	Interdept'l Transfer \$\$	All other \$\$	Total \$\$
Approp #1 Tourism and Marketing: FY 2019 Approp	3,016,377	-	-	3,016,377
				-
Approp #1, FY 2019 Approp Amended	3,016,377	-	-	3,016,377
<u>Personal Services</u>				
Salary/Benefit - base increase	43,536			43,536
Personal Services net increase	15,383			15,383
Workers Compensation - base increase	465			465
Contracted 3rd Party Services	106,000			106,000
AOT MOU for collaborated contract use		4,587		4,587
Total Personal Services Change	165,384	4,587	-	169,971
<u>Operating</u>				
Internal Service Fees - base increase (Insurances, VISION, ADS Allocated Fee)	3,409			3,409
Service Level Agreement (SLA)	(707)			(707)
Membership dues and subscriptions change	(110,124)			(110,124)
Net Operating changes	8,779			8,779
Total Operating Change	(98,643)	-	-	(98,643)
Total Additions/(Reductions) FY 2020 to reach Gov Rec	66,741	4,587	-	71,328
Approp #1 Tourism and Marketing FY 2020 Governor Recommend	3,083,118	4,587	-	3,087,705
Approp #2 VT Life Magazine: FY 2019 Approp	-	-	650,605	650,605
Vermont Life Closure			(650,605)	(650,605)
				-
Total Additions/(Reductions) FY 2020 to reach Gov Rec	-	-	(650,605)	(650,605)
Approp #2 FY 2020 VT Life Magazine Governor Recommend	-	-	-	-
Tourism and Marketing FY 2020 Governor Recommend	3,083,118	4,587	-	3,087,705

AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

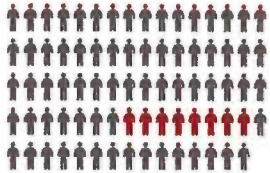
SECRETARY Mike Schirling DEPUTY SECRETARY Ted Brady

Department of Tourism and Marketing

COMMISSIONER
Wendy Knight

DEPUTY COMMISSIONER
Vacant

STAFF: 8



SUMMARY OF FY 2018 IMPACTS

13.1 M
AVERAGE ANNUAL VISITORS

\$2.8 B
ECONOMIC IMPACT

\$391 M
TAX REVENUE GENERATED

\$1,450
TAX SAVINGS TO EVERY VERMONT HOUSEHOLD

\$2.6 M
PROGRAM DOLLARS INVESTED

FY 2018 MAJOR DEPARTMENT HIGHLIGHTS

ADVERTISING AND DIGITAL MEDIA

The Department's advertising strategy includes digital, native, digital radio, print, and outdoor advertising. The call to action on advertising campaigns directs consumers to www.VermontVacation.com.



\$2.0 M
Program Dollars Invested



\$600,000
Cooperative Advertising Dollars Leveraged



\$3.9 M
Direct Revenue to Vermont Businesses from Tracked Ads

EARNED MEDIA AND PUBLIC RELATIONS

The Department coordinates internal and external communications, public outreach, earned media and media relations, and maintains relationships among statewide and regional tourism partners.



\$159,427
Program Dollars Invested



434.1 M
Media Impressions



\$135.7 M
Value of Media Coverage

SALES AND TRADE SHOWS

Interaction with consumers, tour operators and agents at special events and consumer travel shows highlights Vermont as a vacation destination in a personally relevant way that other promotional mediums cannot.



\$286,716
Program Dollars Invested



\$10,410
Dollars Leveraged Through Partnerships



4,074
Consumers, Tour Operators, and Journalists Reached

OUTDOOR RECREATION AND CULTURAL PARTNERSHIPS

Outdoor recreation plays a significant role in Vermont's tourism economy, as does cultural heritage, and agritourism.



\$107,935
Program Dollars Invested



\$163,500
Dollars Leveraged Through Partnerships



260
Vermont Business Partners Served

STAY TO STAY WEEKENDS

The Stay to Stay Weekend program is designed to connect out-of-state visitors interested in moving to Vermont with employers, entrepreneurs, and potential neighbors in local communities.



\$30,615
Program Dollars Invested



140
Participants



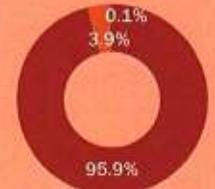
32%
Participant Conversion Rate (7 New Residents, 32 Planning to Move)

FY 2020

PROPOSED GENERAL FUND APPROPRIATION

\$3.1 M

BUDGET
\$3,087,705
8 STAFF



- \$2,961,238 General Funds [operational]
- \$121,880 Pass-through grants
- \$4,587 All other funds

 **VERMONT**
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT

as of 01.28.19

Department of Tourism and Marketing

COMMISSIONER
Wendy Knight

DEPUTY COMMISSIONER
Vacant

STAFF: 8


**SUMMARY OF
FY 2018 IMPACTS**










13.1 M
AVERAGE ANNUAL
VISITORS

\$2.8 B
ECONOMIC IMPACT

\$391 M
TAX REVENUE GENERATED

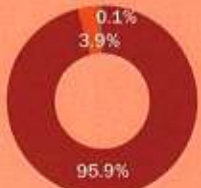
\$1,450
TAX SAVINGS TO EVERY
VERMONT HOUSEHOLD

\$2.6 M
PROGRAM DOLLARS
INVESTED


FY 2018 ECONOMIC IMPACT			
<p>TAX REVENUE Vermont's tourism industry is a crucial part of our economy. The tax revenue the tourism industry generates reduces the tax burden on Vermont residents.</p>	 \$391 M Tax Revenue Generated by Tourism Spending	 \$1,450 Tax Relief Per Year Per Vermont Household	 100% Percentage of Vermont Households Benefited (269,655 Households)
<p>VISITATION Tourism visitation consists of attractions, outdoor recreation, lodging and dining. Data shows that visitation trends remain strong, which directly reduces Vermonters' tax burden while improving the bottom line of thousands of local businesses.</p>	 13.1 M Visitors	 \$2.8 B Visitor Spending at Attractions, Lodging and Dining Establishments	 7.8 M Overnight Stays
<p>EMPLOYMENT Visitor spending supports the salaries of over 32,000 Vermonters. It generates business income that circulates through the economy via day-to-day commerce of our local businesses.</p>	 32,204 Jobs in the Tourism Industry	 \$1.0 B Wages Paid in the Tourism Industry	 10% Percentage of Vermont's Workforce

FY 2020
PROPOSED GENERAL FUND APPROPRIATION
\$3.1 M

BUDGET
\$3,087,705
8 STAFF



- \$2,961,238 General Funds [operational]
- \$121,880 Pass-through grants
- \$4,587 All other funds


AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT