



2/20/26

House Appropriations

Kelly Ault, Executive Director

Vermont Outdoor Business Alliance

I'm writing about the economic development needs of Vermont's outdoor industry. Outdoor recreation contributed \$2.1 billion in 2023 to the state GDP, a number which we anticipate to be higher when the Bureau of Economic Analysis releases 2024 numbers on March 5.

My outdoor colleagues described the wide-ranging positive social and economic impacts at Outdoor Recreation Day. I'm writing to ask for your consideration in funding two programs that have demonstrated success in strengthening Vermont's businesses and the local economies of our outdoor communities.

### **2026 Business Outlook**

Despite a tremendous winter for outdoor recreation, insurmountable headwinds continue to hinder a promising business outlook in 2026. The ongoing cost of tariffs, decline in Canadian and international visitation, negative trends in consumer purchasing, loss of federal funding, and impacts from the four-season shifts of climate change continue to plague the industry. Without public investment in times of uncertainty, their value as revenue-generators and employers is in jeopardy.

A few examples:

- A decline in January foot traffic to a downtown retailer was 50% below pre-pandemic levels of 660,000 customers.
- Tariffs cost a 5 - year old Vermont manufacturer 20% of their 2025 revenues.
- A guide service saw a 25% decline in bookings and another reported a 50% decrease in Canadian visitors renting bicycles.
- Tariff-driven increases on products led a downtown retailer to reduce

full-time staff by 27%.

- Variable snowfall, mid-season rain, and rapid freeze-thaw cycles caused an outdoor center to lose significant operational days and revenue. Although this occurred several years ago, this scenario is likely to happen again.

Therefore, VOBA appreciates your consideration of funding requests for two programs that we present as solutions to these challenges to our outdoor economy:

1. Invest \$100,000 in VOBA's Outdoor Entrepreneur Program to facilitate technical assistance to small- and mid- sized companies at all stages of development for strategic and financial planning, market analysis and access, and climate adaptation and resilience measures, leading to stability and collaboration during a time of economic uncertainty.

This FY27 request would allow VOBA to continue targeted 1:1 and small group consultations, workshops, and events, as well as coordinate commercial clusters aligned with regional development and tourism destination strategies.

2. Secondly, we fully support the \$500,000 for the Vermont Outdoor Recreation Economic Collaborative (VOREC) Community Grant program in the Governor's FY27 budget. We recommend base funding within the Dept of Forest, Parks and Recreation, and encourage inclusion of the VOREC funding in your Committee budget memo.

This FY27 request would allow VOREC to continue as a proven tool for strengthening communities, growing local economies, and inspiring stewardship of natural resources.

Both programs have demonstrated remarkable ROI. I'll first report on the outcomes of VOBA's Program

Since 2024, funding to VOBA from the VOREC community grant program allowed us to provide business development services to 100 entrepreneurs through a curated service provider network of 30 business and financial advisors, trade and marketing consultants, and climate resilience planners offering specific outdoor sector expertise.

The support helped businesses expand customers and retail accounts, develop supply chains, cultivate leaders of women- BIPOC-, and LGBTQ - owned businesses, create marketing assets and a brand identity around sustainability and circularity. Specifically,

- 30 Vermont manufacturers producing gear, apparel and accessories participated in VOBA's booth at 5 regional and national trade shows, which also unlocked funds from the Dept of Economic Development's State Trade Expansion Program (STEP).
- 30 manufacturers participated in the Vermont Gear Maker festival sponsored by the Dept of Tourism and Marketing and with brand positioning and promotion supported by marketing/ media experts.
- 10 businesses received 10 hours of pitchfest coaching and presented at VOBA's Outdoor Pitchfest events.
  - *"Going forward, the pitch coaching will shape how I talk about my business, both internally and externally. It helped me refine my core message, clarify my value proposition, and develop a more compelling narrative, all of which will support stronger partnerships and growth."*
- 8 businesses participated in VOBA's 10 - week capital strategy cohort
  - *"We were selected for VOBA's financial planning resource to educate entrepreneurs and small business owners on how to raise capital. It was an eye-opening, inspiring experience and we would not have had the opportunity were it not for VOBA."*
- 50 attended VOBA Business Agility Workshop last April with State Treasurer Pieciak and gained advice from experts in trade, financing, legal, human resources, and marketing.
- In the climate realm, VOBA and Vermont Businesses for Social Responsibility co-hosted a ClimateReadyVT workshop.
- VOBA elevated the adaptation strategies and investments by 5 businesses and organizations profiled in our [Resilient Outdoor Assessment and Management](#) guide.

The VOREC Community Grant has also demonstrated remarkable ROI.

Since the first grant round in 2019, \$11.2 million in 84 grants have been invested in businesses, organizations, and municipalities across all 14 counties.

The success in bolstering local economies and expanding participation has increased demand for the program, evident in the latest grant round. In 2024, 51 projects were awarded \$6.3m out of 127 applications with requests totaling \$21m.

I can describe our experience firsthand as a grant recipient for workforce development in Montpelier/Randolph, St Johnsbury/Lyndonville, and Rutland/Killington.

- In 2024, the VOREC funding allowed up to develop professional development credentials in the technical occupations of trail building and bicycle mechanics.
- Four multi-day courses involving 24 professionals and 10 employers and a certificate at Vermont State University led to job placements and career advancement.
- VOREC fund career pathways portal where job board webpages continue to be the most visited and career spotlight videos the top performing on social media.
- Most importantly, the VOREC grant was a spring board for VOBA to expand our technical training program in 2025 with an Economic Development Authority grant via the Dept of Tourism and Marketing.
  - 15 workshops in trail, bike and ski trained 116 professionals - of which 23% were women, BIPOC and LGBTQ community members - involved 60 businesses as instructors, employers & hirers, and VTSU classrooms.
  - And, this year, our program expands again into a climate-resilient workforce partnership with the Climate Action Office, Dept of Labor, Office of Workforce Strategy and Development, and VOREC.

The takeaway is that our VOREC grant leveraged funding four-fold to support our successful workforce development program. A few more examples of businesses that have benefited from VOREC grants:

- Petra Cliffs Climbing Center and Mountaineering School in Burlington purchased new mobility and adaptive climbing gear and trained staff in adaptive coaching skills.

- Testimonial from an adaptive climber's parents, with Autism and ADHD: *"David benefits enormously from the individualized attention of the 1:1 lessons through Petra Cliffs, which allow him to feel strong, powerful, and competent doing the activities he loves. The confidence and joy he experiences during rock climbing are a lifeline for him in the midst of many life challenges."*
- The renovated Danville train station is home to the Lamoille Valley Bike Tours and a gear shop serving users of the Lamoille Valley Rail Trail.
- Additional testimonials from a guide service and trail builder sum up important outcomes for the State:
  - *"The VOREC grant for new trails was a factor in us choosing it as a place to live when finally making the move to Vermont. The work done [in Randolph] has been an example to neighboring communities and added to the economic viability of the downtown."*
  - *"The marketing resources that we developed have led to outcomes such as greater event attendance, higher business revenues, and even people moving to Central VT. The infrastructure we are developing is helping to build Montpelier's outdoor recreation economy in a time when we desperately need economic development."*

In summary, we appreciate your consideration of:

- Investing \$100,000 in the VOBA Outdoor Entrepreneur Program to facilitate technical assistance; and,
- Supporting \$500,000 for the FPR-VOREC grant program as base funding.

Both programs demonstrate how FY27 funding can cause a positive ripple effect, bolstering entrepreneur success and leveraging additional funding for outdoor recreation.

- With a small investment in VOBA, we can bolster the success of 40 Vermont companies.

- With the average VOREC award at \$134,000, a \$500,000 investment in Vermont's outdoor economy will keep making a real difference to Vermonters.

Now is the best time to support VOBA and VOREC as partners in statewide vision and priority actions of Move Forward Together Vermont over the next five years. With a clear framework for the state and an expanded set of partners on the ground, project support can advance objectives in Climate Resiliency and Equity, themes in Stewardship, Wellness, and Economic Development, and sector areas in Innovation, Sustainability and Career Pathways in ways that are strategic and effective.

Thank you for your consideration.

\*\*\*\*\*

Additional business impact testimonials:

*"Economic uncertainty is negatively impacting outdoor recreation spending (gear and travel)." - Chittenden County*

*"Tariff-driven increases in the cost of the products we sell has led directly to our reducing our full-time staff by 27%, reducing the community events we can offer, and our general sense of unease about the future of our business."*  
- Washington County

*"The vitality of our downtown businesses and local tax revenue depend on a variety of factors including Canadian visitation and consumer confidence. As a municipality, we also rely heavily on federal grant funding for a variety of projects including infrastructure, economic development, and outdoor recreation."* - Washington County

*"We had a 50% decrease in Canadian visitors renting bicycles this year."* - Chittenden County

*"Flooding two years ago caused \$750k worth of damage and closed our business during the key summer season."* - Windsor County