

Long-Term Strategic Economic and Community Development Plan

Southern Windsor Region

Full Plan Copy



Funded By:

**The Vermont Department of Economic Development
U.S.D.A. Rural Development**

Prepared for:

**Springfield Regional Development Corporation
Southern Windsor County Regional Planning Commission
Springfield Regional Chamber of Commerce**

February 2003

Table of Contents

I.	Introduction	1
II.	Overview of Past Initiatives and Activity	3
III.	Analysis of Economic Performance/Structure	10
IV.	Results of the Economic Development Resources Inventory Assessment	17
V.	The Factors Underlying Regional Economic Performance	18
VI.	Strategic Initiatives for Developing and Maintaining A “High Performance” Regional Economy	20

Long-Term Strategic Economic and Community Development Plan Southern Windsor County Region

I. Introduction

1. Objectives:

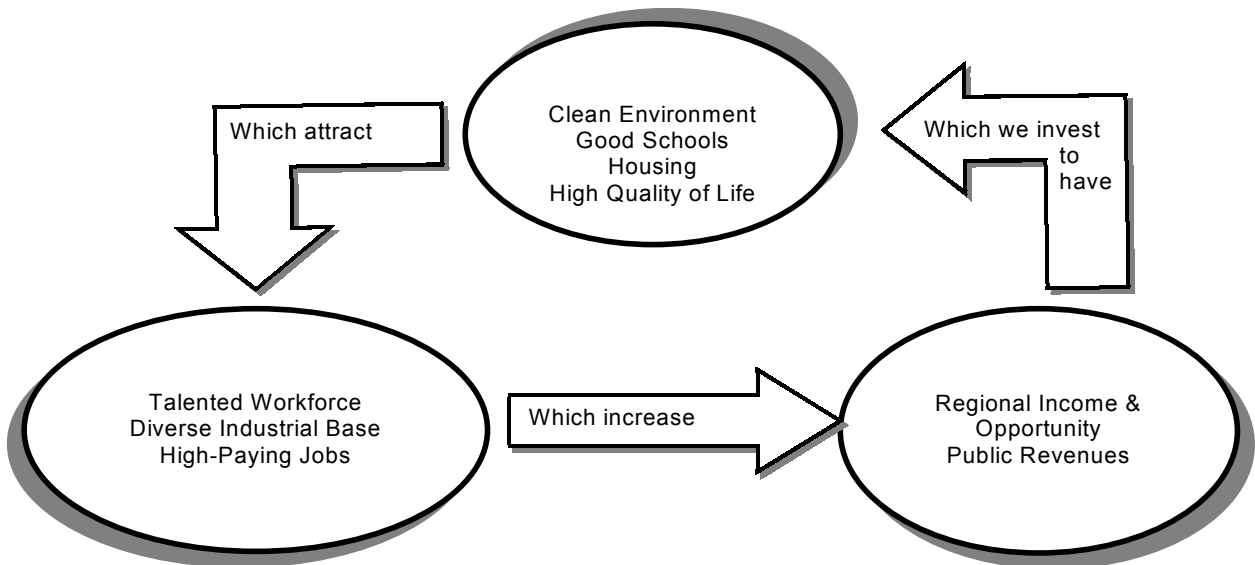
The purpose of this strategic economic development plan is to set forth the goals and strategies to improve the economy, the standard of living, and the quality of life of the residents of the greater southern Windsor County region. This plan is intended to be the initial installment of a “living roadmap” to help guide interested persons and stakeholder groups in the on-going economic development efforts of the region.

This plan, and the series of informational appendixes that accompany it, highlight the key findings and conclusions of the research and planning effort that was recently concluded by a group of leaders in the southern Windsor county region. It represents hundreds of hours of effort and discussion. The plan lays out a view of the current status of the region, a view of a plausible future for the region, and includes a series of ten strategies that collectively chart a course for how to realize that future. The strategies that were developed through this long-term planning process represent an initial list of recommendations that are intended to focus the impressive, collective economic development energies of the region toward successfully meeting the economic challenges of the new century.

2. “Why Are We Doing This?”

The term “economic development” is often misunderstood. To some, it means creating new job opportunities and/or to increase the taxable grand list of individual communities. To others, it is about more than just creating additional jobs, attracting more businesses, building more housing, and constructing new roads or other infrastructure. To those in the later group who embrace the more encompassing definition, economic development includes considerations such as the quality of the jobs (including pay levels, opportunity for career advancement, etc.), and how to improve the quality of life of residents in a sustainable way. The broader definition was adopted by this effort because it highlights the fact that without a strong regional economy is integral to sustaining and improving the quality of life in the region. It illustrates that without a strong economy to provide the needed public resources, it is difficult for a region to have a strong social safety net, a quality environment, and the type of high-quality public services (such as recreational amenities, quality roads, and good schools), that are all so crucial to a superior quality of life and strong communities.

This interdependency is illustrated in a picture by “The Circle of Prosperity” as shown below:

Figure 1. Circle of Prosperity

The "Circle of Prosperity" also emphasizes the fact that economic development is a systemic effort, involving the collective and sometimes coordinated actions of many individuals, businesses, and groups. The concept of healthy economies producing needed resources for quality public services and the protection of the environment is not a new revelation. However, the process of harnessing and directing the collective efforts and resources of the multitude of players in both traditional and non-traditional economic development roles toward a well-defined set of economic development goals is new. It is the unifying principle embodied in this strategic plan.

3. Outline of this Effort

The effort to build the capacity of the region to succeed economically obviously has specific steps that must be undertaken. For this plan, these steps included the following:

- a. Promote understanding at the regional and local level of why the economy performs as it does:
- b. Gain insight into what will eventually lead to appropriate strategies and assign appropriate priorities which could-will be developed in the planning process (started here and completed later in the process).
- c. Develop specific strategies to support the competitive needs of key industries in the region.

- d. Prioritize the developed strategies into a manageable group of specific actions for implementation.

II. Overview of Past Initiatives and Activity

The southern Windsor region has been the subject of a considerable amount of study over the years as the region's industrial mainstay—the manufacture of metal cutting and metal forming machine tools—has declined. Because this plan did not want to re-cover “old ground,” a review of previous studies and plans was undertaken to glean all information and data that were relevant to this effort. Organizations throughout the southern Windsor region have been and continue to work on various aspects of the economic development challenges of the region. These efforts are indicative of the significant level of volunteer energy and resources that have been and continue to be expended. The following is a synopsis of those past studies.

A. Connecticut River Valley Workforce Investment Board Education and Training Plan:

First developed in 1999 and in the process of being updated, the Education and Training Plan seeks to guide workforce development activities in Windham and southern Windsor Counties. The region covered includes the ten towns in Windsor County and all of Windham County. The key findings of the plan all link directly to the objectives of this effort. Specifically, the Education and Training Plan call for “establishing economic development priorities” and then matching workforce investments with those priorities. More specifically, key findings of the plan include:

- Linkages should be implemented through a priority-setting process that establishes economic development priorities, and then determines the education and training investments necessary to achieve those priorities. The WIB believes that this priority-setting process can be a powerful economic development tool that will be recognized by existing and potential employers as a competitive tool and a valuable asset.
- Our economic future will be strongly influenced by the education and training of our workforce. Future growth will be in low-skill/low-wage jobs unless we take positive action to create high-skill/high-wage jobs.
- The education and training requirements of the workplace are escalating, and skilled workers (particularly technically-skilled) are in short supply.
- Too many citizens lack the education necessary to get jobs, with 15 to 20% lacking basic reading writing and math skills.
- The youth unemployment rate is double our overall unemployment rate.
- There is a gap between the workforce we need to assure a sound, diverse, and competitive economy for the future, and the workforce we have in place.
- We do not have clear and broadly supported strategic priorities for economic development to guide our workforce education and training investments.

- Our current education and training programs do not function as a coordinated system and therefore, while often performing well, do not achieve their full potential.
- We do not have a comprehensive inventory of our workforce education and training resources in the region, and find it difficult to meet emerging training needs when they are identified.
- The Human Resources Investment Council estimates the public investment in workforce education and training in our region to be in excess of \$5 million per year, and the private sector is estimated at twice that amount.

B. Old Windsor High School Adaptive Re-Use Study:

Springfield Regional Development Corporation and the Windsor Community Development Office undertook in 1998 a feasibility study to determine whether the Old Windsor High School could be adapted and re-use as a high tech incubator. The study involved a survey of technology companies in the Upper Valley to determine if they would consider Windsor as location for their growth. The study also examined architectural studies to determine the cost to rehabilitate the building for this use.

Although the study was very property specific, the concept of a technology incubator still appears to be a viable option for the region. The circumstances of the region have changed significantly since the time this study was conducted. If anything, the region today seems much more receptive to this type of opportunity than was the case at the time of the study.

C. Springfield “Dreamers” Group:

A group of people, representing several community organizations as well as individuals, began meeting late in 1999 to develop a community planning process for Springfield. With the assistance of U.S.D.A. Rural Development, this committee organized a Community Forum on June 12, 2000, which was attended by over 100 interested people. Those in attendance were asked to provide their “dreams” for the region.

All of the dreams that were submitted were organized into several different categories. Another community meeting was held on September 27, 2000 to arrive at vision statements for those categories. The committee then developed a survey of existing community organizations, and their responsibilities, to match the existing resources to the future needs of the community. A final community meeting was held on March 28, 2001 to increase awareness of existing organizations and their services. The following is a summary of that collection of vision statements from that effort:

SUMMARY VISION STATEMENTS -

Buildings - Springfield has standards, regulations, and resources to revitalize the town’s main corridor on which all buildings are habitable, useful and aesthetically pleasing.

Community - Springfield's people care about and work toward their collective well being and seek to improve the social context in which they live.

Economic - Springfield maintains a positive attitude to develop and market itself, to attract a diversity of new businesses that provide quality, livable wage jobs, and to support a vibrant downtown, as well as to keep and expand existing businesses and services, including lifelong learning opportunities to develop a highly skilled and employable workforce.

Education - Springfield creates better educational opportunities for all students for the betterment of the community.

Environment - Springfield is a beautiful town that actively protects its natural resources, including preserving and protecting the Black River aquifer and Weathersfield Reservoir. Springfield is a tourist destination with scenic spots to view the falls from different angles and to appreciate the reconstructive work on the houses that overview the river.

Government - Springfield accesses necessary, innovative resources to improve its police force, the legislative process, and local codes and ordinances in zoning and taxes. All branches of government cooperate so that Springfield provides its citizens a safe, cohesive, and affordable place to live.

Health - Springfield is an active, vibrant community that provides community activities for people of all ages and encourages healthy lifestyles. Springfield is a regional center of affordable healthcare that includes prevention, education and alternative treatments.

Infrastructure - Springfield is a pleasant, safe and attractive experience for pedestrians, bicyclists and motorists.

Quality of Life - Springfield is an attractive, vibrant community that is a place to raise families, conduct business, and interact with neighbors. Springfield is a fun place that provides opportunities for people of all ages and backgrounds.

Recreation - Springfield has recreation that is fun, including easily accessed, community based activities within close proximity for most people. There is a place for family and friends of all ages to gather for socialization and to be involved with each other in activities they enjoy.

Social - Springfield has a community life center for people of all ages that will be a safe environment where people come together to learn, to grow and to play.

2. Validating a Regional Economic Development Vision

“If you don’t know where you are going, any road will take you there.”

A second important part of this review of past work and initiatives is a review of past work and consensus relating to the desired future path or direction for the southern

Windsor region as a whole or for key communities in the region. In this effort's never-ending effort to avoid duplicating already completed work or simply "re-inventing the wheel," several past studies and initiatives were reviewed with respect to past visioning work in the region (See the Springfield Dreamers effort described above). The following sets forth a recommended economic development vision for the southern Windsor region drawing heavily upon the multitude of past work completed in various parts of the southern Windsor region:

To improve the quality of life of families in our region and to retain more of our region's young people in the future, we need a diverse base of globally competitive, successful businesses. Achieving that will be the result of a shared region-wide effort to strengthen existing key businesses in the region while constantly searching for and capitalizing on new opportunities.

With that vision, the next step was to translate the language of the vision into a succinct and measurable objective for new job opportunities in the region. The following table that includes a net job growth target describes that objective. The specific job growth target presented below reflects the results of the regional economic assessment study that was completed during this effort (see below). That assessment identifies structural issues in the southern Windsor regional economy over roughly the past two decades. Although the objective of economic development policy should be to improve the well being of regional residents, the first step of this process is to first stop and then hopefully reverse negative regional trends, and then re-establish a solid employment base for the regional economy. Although the goal is ambitious in the context of the region's actual economic performance since 1979, it was determined that a goal of 120 new jobs per year was a reasonable goal for this effort—recognizing that this goal only stops the further erosion of the region's job base. Table 1 below indicates that the region needs a total of 1,436 new job opportunities in key industry sectors by 2012 just to maintain its relative share of the overall job growth goal for the State of Vermont.

This level of job growth (or replacement) in the region's key industries, if achieved, will stimulate growth in other sectors throughout the southern Windsor region.

Table 1: Southern Windsor Job Growth Objective, 2000-2012

Number of New Key Industry Jobs Needed by 2012 to Keep the Southern Windsor Region at Year 2000 Share	665
Number of New Key Industry Jobs Needed to Replace Jobs Lost (2000-2002)	771
Total in New Key Industry Job Target	1,436
Total Needed Per Year	120

3. Overview and Principal Findings of On-Going Efforts in the Region

Within the southern Windsor region, there are a number of organizations providing economic development services and a number of efforts underway to help re-vitalize the regional economy. These efforts are involved in many different aspects—some direct and others in-direct—of the regional economic development effort and they are primarily reactive in nature. What is lacking is a unifying plan to properly focus this impressive level of community volunteer and economic development energy. The intended results of this effort would be a more pro-active and more strategic economic development agenda for the region, that would act as a unifying umbrella for directing and focusing efforts toward a higher-valued, potentially more successful menu of economic development opportunities for the region. A listing of each organization-effort follows:

- a. **Springfield Regional Development Corporation (hereafter referred to as “the SRDC”)**: A regional nonprofit economic development services organization that is also the principal equity partner of the Vermont Department of Economic Development. The SRDC also serves as the regional arm of the Vermont Small Business Development Center, the Vermont Manufacturing Extension Center for the greater Springfield-Windsor region and is an integral part of the Three River Valley School-To-Work partnership (TRV STW) and the Howard Dean Educational Center.
- b. **Springfield Chamber of Commerce/Regional Marketing Organization (hereafter referred to as the “Springfield Chamber”)**: The Springfield Chamber is a membership organization in the greater Springfield region with primary responsibilities for promoting the region. The Springfield Chamber serves as a Joint Partner in the southern Windsor region and coordinates the Regional Marketing Organization (RMO) with the Okemo Valley Regional Chamber and other chambers in the region as part of the Vermont Department of Tourism and Marketing’s regional infrastructure of marketing partners.
- c. **Southern Windsor County Regional Planning Commission (hereafter referred to as “the SWCRPC”)**: Is the statutory regional planning commission entity in the southern Windsor region. The SWCRPC offers services that cover a number of economic development and economic development-related areas, including: land use planning, transportation planning, and community development.
- d. **Springfield on the Move**: Devoted to the revitalization and re-development of downtown Springfield and improving the quality of life of all Springfield residents.
- e. **Windsor Improvement Corporation**: A local non-profit development corporation promoting downtown development and economic development in the town of Windsor.
- f. **Ludlow Development Corporation**: A previously inactive organization that is now being revitalized to promote manufacturing and other value added jobs in the Town of Ludlow.

- g. **Chester Development Corporation:** A local development organization promoting the creation of value-added jobs in supporting small businesses in the town of Chester. The Chester Development Corporation also administers the Chester Revolving Loan Fund.
- h. **Precision Valley Development Corporation:** Primarily devoted to the operation of a business incubator in downtown Springfield and the marketing of 10 acres of industrial property in the North Springfield Industrial Park. This organization was the catalyst to establishing the industrial park many years ago.

The southern Windsor region also is home to a number of other local organizations devoted to a range of economic development and economic development-related activities. These include organizations promoting the development of the arts, organizations involved in various community service and other activities. These organizations all have important, even if indirect, linkages to economic development activities of the eight primary-local development organizations listed above.

In addition to those typical development and re-development services, there are a number of special initiatives in the region that are sponsored in part or in whole by the primary regional economic development services organizations. These initiatives involve a geographic orientation that encompasses the entire southern Windsor region. They include:

- a. **EPA-Funded Regional Brownfields Assessment:** With a grant to SWCRPC, this effort intends to complete Level One, Level Two, and Level Three assessments on known or suspected Brownfields throughout the South Windsor region by the end of 2003. The SWCRPC and SRDC are spearheading this effort with participation from local communities.
 - b. **Workforce Development:** Through the Connecticut River Valley Workforce Investment Board (hereafter referred to as "CRVWIB") a variety of workforce development initiatives are currently underway. Most of these projects seek to match the needs of the workforce education training resources with employer skill needs throughout the region. The CRVWIB has developed an education and training plan that lists a number of specific strategies for meeting the education training needs of the region. This plan is in the process of being updated.
4. **Inventory of Specific Economic Development Initiatives-Projects:** Currently there are a number of specific projects underway in the southern Windsor region, these include:
- A. **In the Greater Springfield Sub-Region:**
 - 1. **Downtown Enhancements:** The town is currently completing water and sewer up grades in the downtown. This will be accompanied by streetlight and sidewalk enhancements in the downtown
 - 2. **PVDC Incubator:** PVDC owns a 250,000 square foot incubator property, yet the organization is struggling to make ends meet. The PVDC are actively marketing the building for sale and

working on a long-term capital plan to do significant structural repairs required to maintain the facility

3. **J&L One Project:** This is a 320,000 square foot building that is primarily vacant with less than one-third of the facility occupied. Roughly 50,000 square feet is the only habitable space in the facility at the present time. There is currently a tenant leasing the space until October 2003. The remaining 270,000 square feet has significant deterioration in the roof, electric, fire suppression, heating, and floor. The site also is contaminated. SRDC has been investigating the redevelopment of this property, and a number of private developers have looked at this property.
4. **Bryant Grinder Facility:** This facility is currently vacant. It is approximately 180,000 square feet on 14 acres. Current plans call for this facilities asset to be marketed for sale.
5. **Proposed Industrial Park at the New Correctional Facility:** There is a possibility of a 27 - 30 acre industrial park that will be located adjacent to a proposed correctional facility located off Route 11 in Springfield. This park will be ½ mile from Interstate 91. Municipal water and sewer will be brought to the edge of the park by the State of Vermont who is extending infrastructure to the correctional facility site. The balance of the infrastructure and park lay out and permitting needs to be developed.
6. **Proposed Correctional Facility:** The state of Vermont has nearly completed development and construction of a 350-bed medium security correctional facility. This will be located approx. ½ mile from Interstate 91.
7. **Creation of Southern Vermont Recreation Center:** The Southern Vermont Recreational Center Foundation is raising funds, and has received donated property and has sought and received approval for \$3 million in funds from the Town of Springfield to develop this facility.
8. **River Valley Education Center:** The River Valley Education Center is a facility which co-locates secondary and post-secondary education on a single campus. This includes an expanded and redesigned River Valley Technical Center with new laboratories, new curriculum, and new governance. The co-location partners include the Vermont State Colleges (CCV, VTC and UVM).
9. **Water and Sewer Improvements in Springfield:** The town is working on a substantial Combined Sewer Overflow (CSO) project and a sewer plant up-grade project. Projected to be approximately \$18 million total, the project will substantially up grade aging water/sewer infrastructure and increase capacity of the sewage treatment plant for the town.
10. **School Reconstruction:** The town is also in the process of analyzing how to best handle an aged elementary school infrastructure. The town currently has three elementary schools in need of substantial capital improvements to meet life safety codes and more efficient operations.

B. In the Greater Windsor Sub-Region:

1. **“Rails to the River Project:”** The Town of Windsor and Windsor Improvement Corporation have been working on a proposal to develop an Industrial Park in their community. This effort involves consolidating a number of smaller commercial parcels with larger industrial parcels to create a single mixed-use plan/unit/development for commercial/industrial use. The property is

located along the Connecticut River Valley in the heart of downtown Windsor and includes the Cone Blanchard, Goodyear, and Stacey Lumber properties.

2. **Redevelopment of the Goodyear Facility:** Portions of the current Goodyear property are not useable due to substantial structural decay, other portions are leased or available for lease. The Connecticut River Development Corporation, a non-profit organization, has in the past proposed the demolition of a portion of the existing structure in order to expand the inventory of develop-able land available for redevelopment. This facility is part of the “East of the Train Tracks” property.
3. **Downtown Redevelopment:** Over the past several years, the Town of Windsor has been successful in attracting new investment to its downtown, primarily in the new Mascoma Savings Bank building and with the addition of new smaller businesses. Windsor continues to focus on finding new tenants to occupy vacant retail spaces.
4. **‘See It Made’ Industrial Park:** A private property owner, Mr. Terry McDonnell, has eight acres of land for at this industrial park for development. The focus of the park is industrial tourism, where manufacturers provide plant tours and have retail outlets on site to promote interest and additional tourism spending activity. Current tenants include Simon Pearce and Harpoon Brewery. Other prospective tenants, including those with a specialty foods orientation are being sought for this innovative industrial park concept.
5. **Old Windsor High School Redevelopment:** The Town of Windsor has undergone substantial analysis of how to develop its former high school property. Proposals have ranged from small business incubator to affordable housing to municipal services complex for police and fire. All options continue to in the evaluation and concept development phase. Each concept has significant renovation costs associated with them.
6. **Expanded Industrial Park Space:** The Town of Windsor is in an on-going dialogue looking at where and how to expand its opportunities for new business locations. There are areas south of the town that are currently not served by the municipal infrastructure.

III. Analysis of Economic Performance/Structure

The next step in the planning process involved assessing the economic development implications of the current national-global economic environment, and the recent performance and current structure of the regional economy of the southern Windsor region. The following section highlights the results of those assessments.

1. Summary of Macro-Trends Impacting the Economic Development Climate in the Region:

Today, there are several forces at work on the regional economy that are likely to have a significant effect on the economic development environment over the next ten to twenty years. Even though they will have far-reaching effects, these are large, mostly external forces, about which the region can likely adapt to but cannot reasonably be expected to change the course of because they are national or even global in scope.

The following section discusses the key “extra-regional” trends that are impacting the economic development climate in the southern Windsor region?

Macro Trend #1: *Markets are becoming increasingly global...*

The world is becoming more integrated economically and the region has become less and less isolated (protected) from national and global economic events. Economic development policy must be made considering national—if not global—economic factors for many of the region’s key employers. It cannot be made in a vacuum or in isolation of these still-unfolding events.

Macro Trend #2: *Technological innovation is advancing rapidly...*

Technological innovation is making us more productive changing the way goods and services are made, allowing both the work force labor and investment dollars to make “more with less.” Continued growth in productivity (including new investment and a focus on work force preparedness) is key to the regional economy’s ability to compete in the future and economic development policy should be oriented toward that outcome.

Macro Trend #3: *The “New Economy” has fundamentally changed the competitive landscape of the region...*

Despite the recent downturn in certain areas of information technology, the widespread adoption of information technology (e.g. Internet, PCs, etc.) means “new economy” competition is here to stay in the region. The “new economy” competitive paradigm has simultaneously opened the region to new opportunities and exposed the region to new risks. The region must be nimble and flexible enough to apply knowledge and technology to the production process better than its competitors.

Macro Trend #4: *The population is aging and population growth has slowed everywhere but particularly in the greater Windsor County region...*

The average age of the regional population and the regional working age population is higher than the average for the State and nation as a whole. Windsor County’s working age population is also aging faster than the State and the nation. More than 4 (42.2%) of every 10 people currently in the working age population of the region will reach the age of 65 years during the next 20 years. Where will the new workers come from in the future?

Macro Trends #5: *Aging Baby-Boomers are more demanding of quality-of-life...*

As the population ages, more and more people will enter their peak earning years. Aging “Baby-Boomers” are mobile and demand more and better leisure time activities, facilities and safe communities that contribute to a high quality-of-life. High quality-of-life is increasingly becoming the key to workforce attraction and retention.

2. Unique Regional Factors

Along with the national and global factors that influence the region’s economy discussed above, there are several regional factors that also affect how the regional economy

fares. These factors are thought to be unique to the region, and have characteristics that can either be: (1) targeted as assets and used to enhance positive change, or (2) issues that may lead to continued impairment and need to be addressed by policy.

- a. The strong “influence” of regional metropolitan areas (Boston, New York, and Montreal) offers new opportunities for tourism and economic development linked to decision-makers’ positive recreational-tourism experience in the region.
- b. The region has a substantial amount of “facilities assets” that are available for development (some with and some without the need for major renovations) without adversely impacting open land assets.
- c. As a region undergoing economic change, the region has experienced an increasing number of home businesses. Economic development policies should be explored to address what may represent an opportunity to grow quality jobs and encourage a new level of entrepreneurship in the region.
- d. The west side of the Connecticut River operates a relative tax burden disadvantage relative to the east side of the river when both business costs and personal tax burden costs are considered. Policy needs to be sensitive to and/or potentially address both the cost of doing business and personal tax burden levels of key decision-makers.

3. Regional Situation-Performance Analysis

Following the review of extra-regional factors impacting the southern Windsor region’s economic development climate, an analysis was undertaken to more thoroughly understand the reasons behind the region’s poor economic performance over the past 20 years and to identify opportunities and challenges afforded by the regional economy’s current structure-composition. The following section highlights the results of this inquiry.

- a. The area is home to a mobile work force that appears willing to travel significant distances for “quality job opportunities.” That means the region has a “willing” work force when it is offered the opportunity to secure a quality job opportunity.
- b. The economy of the region as a whole since 1979 has not kept pace with either statewide average growth or the growth in the national economy.¹ Both job and income (including average wages) growth statistics lag significantly behind their respective statewide and national counterpart performance statistics. Looking at the first business cycle versus the second, the data show the income growth gap widened considerably during the 1989-99 period, after exceeding the U. S. average and nearly matching the state average annual rate of growth during the 1980s cycle.

¹ Corresponding to the period covering the past two complete business cycles. Cycle #1 occurred between 1979 and 1989. Cycle #2 covered the period 1989-2000.

- c. Since 1979, a major reason behind the region's lagging economic performance rests in the manufacturing sector—mostly traditional machine tools manufacturing—that has experienced a dramatic 73.0% decline since the hey-days of the late 1970s-early 1980s.
- d. But as with the factory sector as a whole, the 1979-89 period accounted for the overwhelming majority of the Machine Tool job loss in the region (at over 8 of every 10 jobs lost over the entire 1979-2000 time span). This sector continues to decline, as does the regional infrastructure that supported the industry.
- e. Entrepreneurs are an important part of both the regional and state economies, and the number of entrepreneurs in the region has experienced a more dramatic fall-off in the growth of entrepreneurs during the 1990s than either the State or the U. S. economies.
- f. Population statistics indicate that the region is losing a disproportionate share of its young population, indicating the possibility of a “brain-drain” in the southern Windsor region.

What this review of the region's economic performance means from an economic development perspective is that:

- a. Successful economic development strategies for the region are likely to reflect a mix of development and re-development initiatives.
- b. It is likely that a significant period of time will be needed to reverse this overall decline.
- c. This indicates a need for a constant and consistent commitment to long-term economic development strategies and an extraordinary level of “regional patience” waiting for real and sustainable results of implemented policies to emerge.
- d. Strategies that work to assist in improving the “quality of life” and the perception of an “improving quality of life” will be key to addressing the critical regional issue of improving work force recruitment and retention.

Table 2: The Region is Losing its Young People at a High Rate

Age Category	Regional Share of VT Population in 1990	Regional Share of VT Population in 2000	State Population Change 1990-2000	Regional Population Change 1990-2000	Regional Share of State Population Change 1990-2000
Less than 40 years	8.9%	8.4%	(22,511)	(3,532)	15.7%
40-59 years	10.2%	10.2%	55,397	5,621	10.1%
60-74 years	11.9%	11.3%	5,447	252	4.6%
75 and over	11.7%	12.0%	7,736	1,022	13.2%
Total	9.6%	9.4%	46,069	3,363	7.3%

Source: Bureau of the Census.

Prepared by Economic & Policy Resources, Inc.

4. Issues Related to the Economic Structure of the Region

The composition of the southern Windsor regional economy today is a reflection the dramatic changes which have occurred in the regional economy over the past two decades (or since 1979) where the region's dependence on manufacturing declined sharply and is now below average and its dependence on Services and Governmental employment (including the VA hospital, State government jobs) has grown significantly.

The region has above average dependence relative to the State in Non-Durables manufacturing (mostly Printing-Publishing and Food manufacturing), Construction, Hotels & Motels (SIC 70), Engineering & Management Services (SIC 87), and Federal Government employment. The region's current structure is the result of the substantial "economic pain" since 1979 that has been highly concentrated among a relative few, generally higher than average paying employment categories, and largely occurred over the late-1980s through early 1990s time period. This has resulted in a regional economy that is currently more diversified than it was in 1979, and is now significantly less susceptible to the risks of just a few major sectors or employers. In addition the unusually high dependence of the region on federal government (e.g. health care, postal operations) and state government (e.g. corrections) employment provides a good near-term and stable job base for economic development—although there are associated with respect to federal and state "appropriations policy" in those sectors.

5. Identifying the Key Industries of the Region's Economy

With that analysis as background, the next step in the assessment process involved identifying an initial listing of key sectors in the regional economy based on their relative wage level currently (vis-à-vis the county average and state average wage in the sector in calendar 2000) and their job growth performance (key sectors were expected to have added a minimum of 100 jobs) over the last two business cycles. The results of this winnowing process resulted in the identification of 18 sectors meeting those initial key sector identification threshold criteria. The identified sectors were then grouped according to their market orientation, including those that primarily export-oriented (e.g. they sold their product-service outside of the southern Windsor region and/or imported dollars into the region) and those who primarily served local (within the region) needs.

Since the focus of this strategic planning effort is to build regional competitiveness in the private sector, the Government Sector—including federal, state, and local—were not considered to fit the criteria of a key industry sector for this effort. That is not to say that they are not important employers in the region and that they should be supported—they certainly are. They certainly should be supported. Instead, they fall outside this focused effort to build private sector competitiveness.

Table 3: Major Export/Dollar-Importing Sectors Adding More Than 100 Jobs (1979-2000)

	# of Jobs Added (1979-89)	# of Jobs Added (1989-00)	# of Jobs Added (1979-00)	Regional Wage 2000	State Wage 2000	Region % of State Avg. Wage 2000	Sector % of Region Avg. Wage 2000
Total	2,748	1,872	4,620	\$27,421	\$28,920	94.8%	100.0%
Manufacturing							
Furniture	(14)	125	111	\$21,608	\$25,756	83.9%	78.8%
Fabricated Metals	169	6	175	\$28,345	\$41,683	68.0%	103.4%
Printing & Publishing	130	114	244	\$30,257	\$30,378	99.6%	110.3%
Plastics [1]	(484)	187	(297)	\$35,062	\$33,808	103.7%	127.9%
Transportation/PUilities							
Trucking	44	135	179	\$31,268	\$30,570	102.3%	114.0%
Finance, Ins. & RE							
Real Estate	182	(38)	144	\$29,535	\$26,703	110.6%	107.7%
Services							
Hotels and Lodging	604	167	771	\$17,695	\$16,921	104.6%	64.5%
Business Services	181	217	398	\$30,016	\$29,884	100.4%	109.5%
Health Services	411	522	933	\$26,582	\$30,397	87.4%	96.9%
Engineering & Mgt.	408	155	563	\$44,481	\$41,479	107.2%	162.2%
Government							
Federal	341	(27)	314	\$42,556	\$40,714	104.5%	155.2%
State	152	181	333	\$30,391	\$33,237	91.4%	110.8%

Note:

[1] Sector has lost jobs over 1979-00 period but added more than 187 jobs over the 1989-00 period.

Source: VT Department of Employment & Training

Prepared by Economic & Policy Resources, Inc.

Table 4: Major Export/Dollar-Importing Sectors Losing More Than 100 Jobs (1979-2000)

	# of Jobs Added (1979-89)	# of Jobs Added (1989-00)	# of Jobs Added (1979-00)	Regional Wage 2000	State Wage 2000	Region % of State 2000	Sector % of Region 2000
Total	2,748	1,872	4,620	\$27,421	\$28,920	94.8%	100.0%
Manufacturing							
Lumber and Wood	(139)	(43)	(182)	\$27,435	\$28,973	94.7%	100.1%
Machine Tools/Elect. Equ.	(2,267)	(484)	(2,692)	\$39,584	\$50,695	78.1%	144.4%
Transportation/PUilities							
Communications	(94)	(244)	(338)	\$51,411	\$43,586	118.0%	187.5%
Trade							
Wholesale (Non-Durables)	(77)	(49)	(126)	\$29,851	\$35,236	84.7%	108.9%

Source: VT Department of Employment & Training

Prepared by Economic & Policy Resources, Inc.

These key industry categories are listed according to a set of functional, non-traditional industry groupings below.

Table 5: Key Industries and Enterprise Grouping Southern Windsor Region

Specialty Food Products

Defined as: Product development, marketing and/or distribution functions associated with food products targeted to niche consumer markets.

Representative Regional Firms:

King Arthur Flour, Putney Pasta, Harpoon Brewery, Vermont Country Foods, Green Mountain Gringo

Publishing

Defined as: Firms specializing in the development, publishing, marketing and distribution of products consisting of intellectual property and or data.

Representative Regional Firms:

Newsbank, InnerTraditions International, The National Survey, Wild Apple Graphics

Natural Resource Based Manufactured Products

Defined as: Traditional and high value products manufactured from intermediate natural resources materials.

Representative Regional Firms:

Pompanoosuc Mills, Bethel Mills, Jeld-Wen, Vermont Log Builders, Stave Puzzles

Engineered Products and Design Support

Defined as: Fabricated specialty plastic and metal goods including the engineering and design required to satisfy customer specific needs and specifications.

Representative Regional Firms:

GW Plastics, Hancor, Mack Molding, Ultramotive, Clifford of Vermont

Traditional Machine Tools

Defined as: Firms engaged in the design, manufacture, repair and rebuilding of metal forming machines and machine tooling.

Representative Regional Firms:

Vermont Machine Tool, Lovejoy Tool, Parks & Woolson Machine Company, MacDermid Equipment

High Value-added Professional, Scientific and Technical Services

Defined as: Firms specializing in selling professional, scientific and technical knowledge and skills primarily to other industry clients and customers.

Representative Regional Firms:

Dubois and King, Dufresne and Henry, SCITEST, Inc., Concepts NREC, Precision Valley Communications

Destination Family Resort and Recreation

Defined as: Firms providing the core services of lodging, meals and recreation activity to traveling and vacationing consumers.

Representative Regional Firms:

Okemo Mountain Resort, Mt. Ascutney, Quechee, Suicide Six Ski Area

Developing an understanding of why these sectors may have or may have not been successful in the region holds the key to building the competitiveness of the region. For successful parts of the economy, the task of this plan is to find ways to build-on and potentially replicate this success. For struggling sectors, there is a need to develop a job retention strategy to defend (and potentially re-invent) the region's current employment base. This is a regional necessity to preserve quality of life in the region and a critical mass of skilled labor. Even though the focus is short-term, this would be consistent with, and perhaps even be complimentary to, the longer-term effort to build regional competitiveness and diversify the region's economic base.

IV. Results of the Economic Development Resources Inventory Assessment

The next step in the planning process was to objectively assess the quality, depth and affordability of the region's economic development resources. The purpose of this assessment was to inventory what the region currently has that supports economic development and business growth, and determine what our strengths were, and/or what we are lacking-needs improvement. This is a self-assessment designed to be critical view of our region's resources. This is not an inventory to be used as a marketing tool to highlight our region to new and existing businesses. Rather, it is a critical view of ourselves by standing back and looking at our strengths, weaknesses, opportunities, and threats. It is designed to be a tool to help us address our weaknesses and threats.

Overall, it was determined that the southern Windsor region was in good shape in terms of our resources with a few significant exceptions. A summary of the results follows:

1. Strengths:

- An available workforce.
- Access to very good quality and affordable educational resources.
- Available and affordable telecommunications.
- Superb environmental quality and access to recreational resources.
- Generally good quality schools.
- Abundant industrial and commercial sites.
- Good access to health care.
- Excellent quality of life for families.
- Good access to major market areas.
- Good access to capital, primarily debt sources.
- Decent incentives for business expansion.
- Willing and active local governments pursuing economic development.

2. Weaknesses:

- Limited availability of higher end skills.
- Inflexibility of much of our workforce.

- Growing work ethic and resistance to change issues in the regional work force.
- Limited equity and venture capital resources particularly for technology related companies.
- Varying perceptions of educational quality in the region brought about by a lack of a common measurement of education quality that would help develop a more unified, consistent perception of education quality.
- A widely perceived problem with predictability and ease of obtaining state approvals and permits. Much of this is beyond the scope of our region to address and needs leadership from State political offices.
- Limited resources for technology related companies dependent upon higher educational resources.
- Large, older industrial buildings.
- The threat of becoming a “bedroom” community in the region.

V. The Factors Underlying Regional Economic Performance

As part of this effort to revitalize the southern Windsor regional economy, a significant primary research effort was undertaken to identify sectors of the economy experiencing a combination of employment growth success and wage growth success. The economic development reasoning underpinning this part of the strategic development effort was to attempt to focus a significant portion of the long-term strategy’s policy development resources on only key sectors of the regional economy. This focus was on those categories that were adding or losing significant numbers of quality job opportunities over the most recent period of relevant economic history.

By developing a better understanding of the factors and forces driving the region’s areas of relative success, specific competitiveness-enhancing policies could be developed and implemented to facilitate even greater success at key employers in those and similar areas. At the same time, this more detailed and practical understanding of what drives the region’s success would also enable economic development services organizations and other interested stakeholders to actively and intelligently participate in the public policy development process as well. Two objectives were thought to be important there, including: (1) helping to design competitiveness-enhancing policies and directing resource investments for all levels of government—both inside and outside the region, and (2) helping to identify and amend policy proposals that might in some way impede the region’s economic success and competitiveness needs.

While focusing on the nurturing of areas of relative success in the regional economy is only part of a sound, comprehensive economic development policy,² it is an important part of the pro-active portion of any comprehensive strategy. In short, this part of the research effort was specifically designed to assist in identifying “where it is best to fish” when it comes to maintaining and expanding the regional job base.

² The other important part of course being the staunch defense of the existing base through aggressive job-retention strategies.

The first step of the process was to identify candidate employers in key regional industries. A detailed discussion of how the key industries for the southern Windsor region were identified appears above. Key employers within these key regional industry sectors were selected from a candidate. After identifying the candidate companies, the next step in the process (which unfolded simultaneously with the identification of the interviewees described above) involved designing and testing the survey instrument. The end result of the development process was a 39-question survey instrument designed to: (1) identify the major factors and forces affecting the region's key industry, (2) the specific factors and forces—both internal to and external to the regional economy—were impacting local competitiveness and employment levels, (3) identify key aspects of the key employer's competition, and (4) develop a candidate list of specific actions that could be assessed in the strategy development phase of this process. The results of each interview were compiled, but held to be highly confidential. Interviewees were promised anonymity. Therefore, the results of the interview process are set forth below in a generalized manner to protect the confidential nature of the information shared by study participants.

A. Key Attributes of Successful Regional Employers in Key Industries

The following was the final agreed-to profile of a strategic employer for the southern Windsor region based on this research. The following were determined to be essential features of a key employer in the southern Windsor region:

1. Produce "dollar importing" high-value goods and/or services.

From the interviews, it is apparent that regional businesses fare the best when they are not competing solely on the basis of being the lowest cost global-national provider of a standardized product or service. Regional key employers can effectively compete in competitive arenas where the product or service is a commodity-oriented product or service offering—provided: (1) the product or service services a highly specialized niche market and/or is delivered with a technology- or knowledge-intensive key product attribute, or (2) the product or service is produced or delivered through a technology- knowledge-intensive manufacturing process or delivery mechanism. Since the southern Windsor county region is not a low cost region, regional companies do not compete well over the long term in cost-driven, commodity markets or under commodity-like competitive conditions over the long-term.

2. Predominately offer employment opportunities that possess desirable labor-productivity attributes.

These include attributes such as:

- a. Pay the median regional wage or better,
- b. Offer high-quality benefits to regional residents,
- c. Offer employment opportunities that include continuous work force investment and training.

3. Exhibit desirable capital investment characteristics

The process of innovation and renewal to meet the needs of changing markets is a direct result of making significant and continuous hard investments in capital equipment and technology that facilitate continuous productivity improvement and the discovery of new markets and ways to serve those opportunities.

4. Utilize regional natural resource endowments to gain competitive advantage

Because the region is not particularly well endowed with commercially viable natural resource processing opportunities (at least in a relative sense versus other parts of the country where such opportunities are more dominant), the best strategic opportunities for the southern Windsor region in this regard appear to lie within the travel and tourism sector.

5. Offers a portion of its job opportunities to under-served populations in the Southern Windsor region.

This was found to be important from the standpoint of making sure that regional growth does not result in local conditions that can be impediments to economic development: including polarized camps of growth supporters and growth-blockers. Activity that is more inclusive of substantially all of the regional population leads to better local support within a diverse southern Windsor region.

VII. Strategic Initiatives for Developing and Maintaining A “High Performance” Regional Economy

After the research, analysis, and visioning phases were completed, the truly difficult part of the process then got underway—strategy development and prioritization. Blending the results of the research and the vision for the region, the following are a description of the ten strategies developed during this long-range planning process.

Strategy #1: Focused Efforts on Key Industry Sectors in the Region:

Regional economic development efforts and resources will be focused on building sustainable competitiveness in the highest-return, export-oriented sectors of the regional economy called “strategic industries.” Other strategic aspects of the region’s total economic development effort are important and should be pursued through strategic partnerships with other organizations in the region and with State and Federal partners.

In its actions, the region cannot be “all things to all people and companies” in its approach to and implementation of its economic development efforts. The regional leadership has made a fundamental decision to focus on and continuously improve the competitive strengths or key regional industries.

By focusing its efforts and its limited resources, the regional leadership is committed to an approach of directing its efforts and resources to where they can be most effective in generating a positive economic and fiscal return to the communities in the southern Windsor region and to the State of Vermont.

Tasks:

1. **Develop a strategic partner plan for implementing the strategies contained in this plan where it is expected the regional leadership expects to have a supporting role (within 90 days).**

Strategy #2: Aggressively Recruit and Retain Businesses in Key Industry Sectors:

Undertake the development and implementation of recruitment-retention effort focused on building on the region's current sources of economic success and diversifying the regional economy. This strategic approach would build on the region's economic development strengths and apply those identified "factors of success" to strategic industry sectors that have similar attributes for success.

Job retention and recruitment is highly dependent on the existence of successful and strong existing businesses. They are the best testimony to doing business in the region. Further, having an aggressive business retention program will develop loyalty to the region making businesses less likely to consider offers from other states.

Business recruitment, retention and the diversification of the regional economy will be an important part of securing the annual job growth target of the regional leadership. Doing more of "a good thing" has its limits over the longer-term, and any recruitment strategy must also include an aggressive business retention strategy so the region is able to "hold-on to what it already has." At the same time, the region will need to broaden its recruitment efforts into new, currently under-represented industries that have a competitiveness profile that utilize the substantially same or functionally-similar factors that successful regional companies employ to achieve their success. This strategy will help reach the 120 jobs per year target. Further, a recruitment strategy needs to blend in the needs of regional project specific marketing activities such as the "Rails to the River" project, the work of the RMO and SRDC's own marketing strategy. This is an opportunity to bring all that together in a thoughtful targeted way.

The thrust of activities under this strategy will include: (1) the identification of the current advantages of doing business in the region, (2) the development of a story to tell about those advantages, past, present and future, (3) the determination of what types of companies would be attracted to that story, (4) the contacting of candidate companies identified in #3 to present that story to potentially receptive candidate companies, (5) to continue and expand an already aggressive regional business visitation program, and (6) the development of specific programs to assist existing businesses. These can include: export development, professional advisory services, additional or enhanced financing and incentive programs, education and training programs. In addition, we plan to investigate the viability of Canada as a market for recruitment for the region.

Tasks:

1. **Identify economic development strengths and factors of business success for strategic industry sectors in the region. Use SRDC personnel to spearhead a strategic partnership of ED stakeholders and undertake an aggressive business visitation in the region designed to supplement the targeted industry interviews completed during this process. These interviews would seek to further refine the specific competitive attributes of successful regional businesses in the region's key industries and to discover additional aspects of the "core competencies" in the region with the goal of visiting all regional companies (within the next 365 days).**
2. **Undertake a comparative cost of doing business study between Windsor/Springfield and Claremont/Lebanon. Model 3-5 businesses from the strategic industry sectors. Compare business costs for those model companies (within 120 days).**
3. **Develop a two-way system that shares information about the mega-trends of the proposed industry sectors (Between 120 to 180 days)**
4. **Utilize strategic partners and information from #1 and the region's assets to develop and refine an effective pitch and marketing message customized by key industries (Between 180 to 365 days)**

Strategic partners include regional economic development resources providers, education-training providers, SVG, other stakeholders with an interest in regional economic success, including existing businesses. Hone the message and list of key industries and go back to existing business and strategic partners for feedback.

5. **Use SRDC personnel to refine candidate industry sector list using the region's key industries and expand to include additional sectors and identify "hard-to-expand" and/or "hard to locate" geographic regions located in the New England and the northeastern regions of the U.S. to develop an inventory of candidate companies. (180-365 days, parallel to #2 work)**
6. **Profile business successes via the SRDC newsletter and other venues to keep hammering the "good news" message to existing businesses. Use these newsletters as part of the recruitment message. Put this information out beyond Vermont, including utilizing an electronic means of getting this word out (On-going).**
7. **Develop a strategy for getting the message out to candidate companies identified (Between 365-540 days).**

Present the "story" to 24 candidate companies. (Between 365 to 720 days).

8. **Continuously refine the understanding gained during Steps #1-4 (On-going).**

9. **SRDC and other regional groups to continue to disseminate information on new and existing business assistance programs; Expand their websites and other public dissemination materials (e.g. newsletters and the like) and develop a regional plan to coordinate that information and message (Within 365 days and On-going).**
10. **Create an existing business “SWAT Team” to render assistance to troubled businesses. This team will be comprised of authorities in business finance, manufacturing techniques, marketing and market experts, legal and others as appropriate to evaluate and advise on possible actions to enhance businesses. Partner with VMEC, SBDC, VEDA and lawyers (Within 90 days).**

Strategy #3: Enhance and Expand Access to Affordable Capital:

Build regional capacity to efficiently and cost-effectively access sufficient sums of capital³ to: (1) provide the region with options to support entrepreneurial activity, new business development, and expansion of the current business base in the region, AND (2) to develop alternatives for protecting against potential job losses associated with acquisitions of currently locally-owned firms.

This strategy would be designed to develop regional knowledge and “know-how” for raising and/or gaining access to equity or other forms of early-stage capital sources for expanding the existing job base, encouraging new business development, and entrepreneurial activity in key industries in the region. It would include an inventory of exemplary lending programs at regional lending institutions and other financing institutions that regional businesses (in both key industry sectors and in other sectors) may have access to (e.g. State and federal lending programs) and conceptually develop linkages to the existing resource-institutional base for the purposes of leveraging regional resources. This effort would also be directed at developing regional capacity for raising sufficient amounts of equity and debt capital to develop financing package alternatives so that current owners of regional businesses may have the option to sell to local ownership (e.g. employee buyouts) for “at-risk” regional businesses in key industries. This strategy also would include efforts to contact and work with the efforts of the Douglas Administration that has developed an initial tax credit proposal to encourage increased “Angel Investment” in Vermont.

A. Common Capital Strategy Tasks:

1. **Create special “Task Force” (including a mix of individuals and institutions involved in traditional debt capital and equity capital lending and investment activities) and hold initial organizational task force meeting (within 90 days).**

³ It is expected the focus would be on early-stage equity and other forms of non-traditional debt capital so that services already provided by the region’s financial institutions would be supplemented and any potential for competition minimized. It is the objective of this strategy to have regional financial institutions participate in this process to expand their regional financing role. This role expansion would move into non-traditional forms of debt capital lending (e.g. mezzanine capital and other “early stage” debt capital lending).

2. **Develop work plan for each capital type and approach (e.g. business retention (e.g. local ownership options), new business development, and to facilitate entrepreneurship (within 180 days).**
3. **Assign to sub-committees and individuals on the “Task Force” with a proposed timeline (of not more than 180 additional days).**
4. **Undertake research to identify range of “capital options” including private equity funds (e.g. industry based), private sector sources (including both equity and debt capital sources), governmental funding sources, foundations, and existing “angel” regional investor networks that could be accessed or otherwise employed in the region (Within 180 days).**
5. **Develop estimates of capital needs by type (e.g. equity versus debt) Identify total dollar amount of early-stage funding needs by type for both equity capital and debt capital categories (Within 360 days).**

B. “Early Stage Capital” Strategy Tasks.

1. **Identify regional funds and candidate “high income-high net worth” individuals and/or “early-stage” funds with potential for the region and its key industries (Within 180 days).**
2. **Conduct feasibility study to develop an approach to identified sources with deal flow goals for key industry sectors (Within 360 days).**
3. **Develop and initiate first year project plan (at 360 days).**
4. **Amend as indicated by the research and the receipt of additional information (on-going).**

C. “Debt Capital” Strategy Tasks:

1. **Develop an inventory of existing regional lending programs from all private and public sources (Within 60 days).**
2. **Complete an assessment of the strategic fit between existing private and public lending programs and the debt capital needs of the region’s strategic industry to identify the “best programs” by key industry or key industry groups (Within 180 days).**
3. **Develop educational materials to publicize these programs and to answer inquiries for key industries or groups of key industry sectors (Within 360 days).**
4. **Develop media-publication strategy and information conduits (e.g. website) to provide access to information (Within 360 days).**

5. **Announce establishment of a clearinghouse of strategic lending programs by key industry or key industry group (Within one year of first task force meeting).**

D. “Job Retention Capital” Strategy Tasks:

1. **Develop an inventory of potential “at risk” regional businesses in key industry categories (Within 90 days).**
2. **Develop a business visitation inquiry strategy to determine if candidate businesses are “at risk“ of contraction or “merger-acquisition” (Within 90 days).**
3. **Conduct an aggressive business visitation program of regional businesses in key industries to identify “at risk” businesses (Within 180 days).**

Strategy #4: Develop a Proactive Approach to State and Local Permitting:

Create a regional approach for permit assistance to businesses seeking state or regional permits.

The focus of the efforts undertaken under this strategy is to create an identity for the southern Windsor County region as being a business friendly place to setup or expand your business. Specific efforts envisioned under this plan include: (1) the creation of a web-based permit clearinghouse managed by the Southern Windsor County Regional Planning Commission to provide information on state and regional permits and personnel for technical assistance, and (2) hire a permit ombudsman or facilitator residing at one of the regional partners providing economic development services to provide assistance to businesses in strategic industry sectors seeking local and state permit approvals.

A. Tasks:

1. **The SWCRPC and SRDC will hold a public hearing with businesses/individuals that have recently gone through the permit process to get specific examples of delay, duplication and conflict (Within 90 days).**
2. **Create a Permit Process Facilitation Task Force, hosted by the regional economic development partners (e.g. SRDC, SWCRPC and Springfield Regional Chamber), local and state officials, and the business community to implement the action items learned at the above-mentioned public forum. The purpose of the meeting will be to develop a concept and preliminary funding plan for the proposed permit process clearinghouse (Within 90 days)**
3. **Working with the Douglas Administration, area legislators and other legislators, the Task Force will develop proposals for changes to policies and suggest changes to existing legislation to make the permit process more user-friendly and expeditious in the region (Within 180 days and On-going).**

4. **The Permit Process Facilitation Task Force will examine the efficacy of establishing a “Real Estate Development Team” to develop and implement a plan for assuring there will be sufficient suitable sites to support the economic development needs of the region (within 180 days).**
5. **If pursued as a result of #4 above, the “Real Estate Development Team” will complete a regional site inventory (including all currently zoned and potentially zoned sites) and infrastructure needs assessment for all existing and potential sites in the southern Windsor County region for development and re-development purposes (within 240 days).**
6. **If pursued as a result of #4 and #5 above, the Real Estate Development Team will develop and implement a strategy with strategic public and private partners for the purpose of pre-permitting key suitable sites for potential development projects in key regional industry sectors (within 720 days).**

Strategy #5: Create A Strategic Partnership Collaborative to Enhance Work Force Skills and Grow New Regional Businesses:

Establish a Private-public partnership to develop and coordinate the operations of five “Centers of Innovation” in the southern Windsor region over the next 5 to 10 years.

These Centers would be designed to create an environment that nurtures innovation, entrepreneurial risk taking, research and development and the sharing of knowledge including the cultivation of a future workforce through higher education. Centers of innovation provide an integrated environment for academe and industry to focus on next-generation advances in complex engineered systems important for the Nations and regions future. By creating these Centers there is the potential for accelerating growth and development of existing businesses and the creation of several new, collateral businesses that will increase the regions strength in a particular sector.

The proposed Centers would be both a “technology resource” and a “workforce development” tool for our existing and new workforce. The Centers could be employed to cultivate a residential higher educational institution eventually but initially could be a “virtual” center through strategic partnerships with Dartmouth, UVM, VSC, HDEC and others. In all cases, some physical presence must be established or expanded. This could be a business/research incubator and/or higher educational facility.

The proposed Centers of Innovation would be developed to support the following key regional industries (Not in Priority Order)

- a. Specialty Food Products
- b. Publishing
- c. High Value-Added—Specialty Products
- d. Engineered products and design support
- e. High value-Added professional, Scientific & Technical Services
(Including Information Science.)
- f. Emerging Regional Industry--Renewable Energy

Tasks:

1. **Convene a special “Task Force” and hold initial task force meeting; pick first candidate industry (Within 60 days).**
2. **Assemble initial Board of Directors for Center of Innovation Center #1. Include: Dartmouth, UVM, VSC, HDEC, SVG, Inventors group, SRDC, others as appropriate (Within 90 days).**
3. **Conduct concept and financial feasibility study including five year operating plan for first “Center of Innovation”; complete management plan with outcome benchmarks (Within 180 days).**
4. **Meet with State officials to discuss state funding support for first center project (Within 240 days).**
5. **Identify grant funding sources (NSF & others), Prepare grant funding proposals (Within 270 days).**
6. **Secure sustainable funding sources (Within 360 days).**
7. **Launch first year project plan (At 360 days).**
8. **Repeat Steps 1-10 for Center of Innovation for Strategic Industry #2 and Strategic Industry #3 (Year #2)**
9. **Repeat Steps 1-10 for Center of Innovation for Strategic Industry #4 and Strategic Industry #5 (Year #3)**

Strategy #6: Maintain and Enhance a Globally Competitive Workforce:

Workforce development efforts will be aimed at developing globally competitive skills and work ethics in the existing and dislocated workforce in southern Windsor County region.

In any regional economy, the affordability and availability of a skilled and hard working labor force for state-of-the-art companies is a chief economic development concern. Maintaining and addressing any workforce affordability or capability concerns is critical to the competitiveness of our existing industries and our ability to attract and grow new sectors.

Actions/Tasks:

1. **Assure that the strategic industry sectors identified in the Southern Windsor County Strategic Economic Development Plan are integrated into the Connecticut River Valley Workforce Investment Board (CRVWIB) Education and Training Plan.**

Representatives from SRDC and CRVWIB will meet to develop an action plan prior to June 1, 2003.

Part of this action plan must include the identification of jobs that are currently difficult to fill. Existing data from DET, WIB, and SRDC will be used.

- 2. Develop a comprehensive and sophisticated model of workforce development that links institutions of basic and applied research, with technology transfer and forecasting, and with product “life cycle.”**

Such a model must highlight key areas of workforce development intervention. Representatives from SRDC and CRVWIB will meet to develop the model prior to April 1, 2003.

- 3. Expand the delivery of secondary and post secondary educational programs in the region including the availability of degree programs from institutions of higher education that supports the Economic Development Plan.**

Convene a meeting of key business partners, all institutions of higher education, RVTC, and regional school administrators to develop a comprehensive plan for the introduction of degree programs and non-degree certificate programs linked to the Southern Windsor County Long-Term Strategic Economic Development Plan. This should be accomplished prior to June 1, 2003, but not before the comprehensive model has been approved #2.

- 4. In consultation with businesses, design and implement approaches (start with a pilot) that develop a passion in employees for the work they do and the behaviors that model a mature work ethic (adaptability; acceptance of responsibility for their own success; lifelong learning.) This applies to the incumbent workforce as well as the at-risk populations.**

Representatives of SRDC, CRVWIB, Chambers of Commerce, and regional agencies will meet prior to June 1, 2003 to develop an action plan.

- 5. Working with business partners, expand the leadership development offerings throughout all industry sectors and throughout all levels of management.**

Representatives of SRDC, CRVWIB, and Chambers of Commerce, meet prior to June 1, 2003 to develop an action plan.

- 6. Advocate and support the evolution of an economic culture that incorporates the key characteristics of learning organizations and drives entrepreneurial business development at the leadership levels.**

Representatives of SRDC, CRVWIB, Chambers of Commerce, and area agencies meet prior to June 1, 2003 to develop an action plan.

7. **Develop or identify a means to measure the impact of these actions on overall business vitality and development (Within one year of the first task force meeting).**

Representatives of SRDC and CRVWIB meet to identify the key indicators that could be used to measure the impact of workforce development initiatives.

Strategy #7: Promote Excellence in Education and Work-Based Learning:

Expand the efforts of Regional School Districts, the Three River Valley Business Education Partnership and the Howard Dean Education Center Partners to improve student career awareness, career exploration and the knowledge and skills needed for success in the modern workplace.

It is expected this strategy will build on current successful models currently being implemented within the Three River Valley Business Education Partnership (TRVBEP), River Valley Technical Center (RVTC), Vermont Student Assistance program and others such as Learn To Earn, Summer Tech Camp, Program Advisory Committees, out of school programs, career fairs, and the like. It also is expected efforts under this strategy will include initiatives to increase the number of students participating in comprehensive career development activities such as those being offered through the River Valley Technical Center. These may include such initiatives such as Career Academies, Distance Education, student apprenticeships, and those principles outlined in the High Schools on the Move initiative. Another option to be undertaken under this strategy is to develop an out-reach program for business leaders and educators to facilitate the exchange of information between the K-12 system and the long-term needs of the regional work force. This may include the forming of advisory committees for each elementary and middle school in the region, as well as each department at our regional high schools.

This strategy also envisions efforts to develop a career pathways/academy approach to 8-12 education with a goal to accomplish a better transition from public schools directly to the work place or to post-secondary education and training. In addition, this strategy will also include measures to: (1) advocate for career decision making (CDM), skill and interest inventories, and career plans for all middle school students in the region, (2) advocate for business and industry support and participation in the development and implementation of the action planning process at our regional schools, and (3) the development of a career development plan for each student upon entering high school that will be revised (as needed) prior to high school graduation. A possible action under this strategy will be the possible development of a student entrepreneurial program as well to potentially assist in exposing young people to the opportunities and challenges of owning their own businesses.

Tasks:

1. TRVBEP and RVTC Leadership will meet to develop an action plan for delivery prior to June 1, 2003.
2. Howard Dean Education Center (HDEC) Board and regional administrators (High School Principals and Superintendents) will meet to develop an action plan for delivery prior to June 1, 2003.
3. CRWIB, regional Chamber of Commerce Education committees and regional school administrators will meet to develop an action plan for delivery prior to June 1, 2003.
4. Howard Dean Education Center (HDEC) Board, Cathy Carlson (Regional Career Academy Coordinator) and regional administrators (High School Principals and Superintendents) will meet to develop an action plan for delivery prior to June 1, 2003.
5. TRVBEP and regional guidance coordinators will meet to develop an action plan for delivery prior to June 1, 2003.
6. CRWIB, regional Chamber of Commerce Education committees and regional school administrators will meet to develop an action plan for delivery prior to June 1, 2003.

Strategy #8: Develop Incubators in Strategic Industry Sectors:

Coordinate the development of business incubation (or incubators) in the region to encourage entrepreneurial activity and new business development in cooperation with strategic partners. These incubators would focus on key regional industries.

Most existing businesses in the region started and grew here. Business incubators enhance the likelihood of success for entrepreneurs. Incubators generate new jobs and income to a region or community as noted in the statistics generated by the National Business Incubators Association (NBIA) cited below:

- For every \$1 of estimated annual public operating subsidy provided the incubator, clients and graduates of NBIA member incubators generate approximately \$45 in local tax revenue alone.
- NBIA members report that 84 percent of incubator graduates stay in their communities and continue to provide a return to their investors.
- Publicly-supported incubators create jobs at a cost of about \$1,100 each, whereas other publicly supported job creation mechanisms often cost more than \$10,000 per job created.
- NBIA estimates that North American incubator clients and graduates have created approximately half a million jobs since 1980. That is enough jobs to employ almost every person living in Vermont.
- Every 50 jobs created by an incubator client generate another 25 jobs in the community.

It is expected that this strategy will involve utilizing existing models for business incubation to support current incubator initiatives. Under this strategy, it will be necessary to forge strategic partnerships with the Small Business Development Center, Vermont Manufacturing Extension Center, U.S.D.A. Rural Development, the Economic Development Administration, the Sustainable Valley Group, the Vermont

State Colleges and others to support the current incubator initiatives. It is expected initiatives under this strategy will use these models to develop additional incubators.

Tasks:

1. **Develop a Concept-Feasibility Team to support the food incubator feasibility study being developed by SRDC (Within 60 days).**
2. **Develop a Concept-Feasibility Team to support the SVG on the renewable energy incubator and “idea farm” (Within 60 days)**
3. **Each team will conduct research utilizing information from the National Business Incubator Association (NBIA) for incubator models which will be successful for applications that are the “best fit” for the South Windsor region (Within 60 days).**
4. **Conduct and complete feasibility study on the food incubator (Within 365 days).**
5. **Complete five-year concept and operating plan—including possible locations, funding sources, services to be provided, staffing, and financial resources needed (Within 180 days).**
6. **Hold public hearing to build support for each incubator concept project (Within 210 days).**
7. **Meet with State and Local officials for short-term funding needs (Within 240 days)**
8. **Apply for public and grant funds (Within 270 days).**
9. **Secure “first five years” sustainable funding and hire an Executive Director-Executive Vice President for each incubator to be pursued (at 540 days—or 1½ years from start).**
10. **Develop a method of measuring outcomes (Within 365 days).**

Strategy #9: Maintain and Enhance the Region’s “Quality of Life:”

The institutions and private citizens of the southern Windsor region will build a regional quality of life that fits its economic development goals of a safe, stimulating and inclusive region that offers good schools and opportunity for its young people, and respects the region’s values, natural beauty, and resources (including both natural and constructed).

“Quality of life” is becoming an increasingly important aspect of economic development. It is a key ingredient of what is needed for a region to attract and retain the type of talented work force that is required for a high performance economy. Having a “ready and able” work force with the proper skills sets for the regional economy was identified as a concern or limitation in 9 of 11 of the region’s key industry sectors. A desirable quality of life is an integral part of addressing those needs so that the region’s key industries can thrive in the new century.

Under this strategy, it is proposed that a regional “Quality of Life” commission or team composed of a good cross-section of the region’s residents that is charged with the responsibility of creating the proper environment in the region that is attractive for the region’s key industries to flourish. This will likely require working closely with a diverse group of organizations, businesses, institutions, and individuals, including those in the targeted 20-34 year old age group.

Under this strategy, the commission or group should identify and study examples of regions-communities where programs (e.g. education), activities (cultural and recreational), and infrastructure (including both traditional and new) stimulate job development in the type of knowledge-based industries that are characteristic of the region as well as population growth in the 20-34 years grouping to provide the future human capital needed by those businesses. This group will also research possible incentives to establish businesses that will help to make this region attractive for the younger parts of the region’s population such as the portion of the region’s population that is 20 to 34 years old.

Tasks:

- 1. Identify members to serve on the Quality of Life Task Force, representing the region and various demographics (Within 90 days).**
- 2. Build on the research done as part of this process to build an inventory of existing resources: Educational, Cultural (Events and Attractions), Religious, Recreational and Other that relate to the region’s Quality of Life (Within 180 days).**
- 3. Research and develop a list of desired elements in these target areas, compare to inventory of existing resource, identify gaps (Within 240 days).**
- 4. Develop “Task Force” plan for addressing improving and adding to existing resources, including prioritization and funding options (Within 365 days).**
- 5. Identify and secure possible funding sources (Within 365 days).**
- 6. Prior to June 2003, survey Regional Chamber of Commerce members to determine what factors influence their decision to locate in a community. To be completed by the Chamber of Commerce Education Committee.**
- 7. Upon determination of the factors that influence a new hire’s decision to locate in a community, develop (Prior to September of 2003) a “School Profile” of all the regional schools that may include the following:**
 - Number of schools in the district.**
 - Size of the schools – enrollment by grade level.**
 - Student/Teacher ratio.**
 - Drop out rate.**
 - Average SAT score and percentage of students taking SAT.**
 - Number of High School AP Courses and Tech Prep offerings.**
 - Percentage of students accepted to college.**
 - Types of colleges and students were accepted to.**
 - Specials and Sports – what offerings in the arts, athletics does the school offer.**

- How does the school compare to others in Vermont and the United States – test scores.

Strategy #10: Develop More Housing Options for the Region’s Residents Over the Full Range of Affordability-Prices:

The governments, institutions and private citizens of the southern Windsor region will move cooperatively and vigorously to improve the living environment in the region by increasing the number of affordable housing options for the existing and potential regional work force.

High performance regional economies are also known for their commitment to a high “quality of life” in their region. Access to affordable housing is a key aspect to quality of life, and is an increasingly important part of attracting and retaining a talented, “ready and able” work force with the proper skills sets to meet the region’s future economic development needs. A desirable quality of life with affordable housing options is an integral part of addressing those needs so that the region’s key industries can thrive in the new century.

It is expected that regional efforts under this strategy will establish a (or forge a partnership with an existing) Housing Task Force that will identify and facilitate action by itself or with regional governments and other groups that have the ability and commitment to implementing the recommendations of the Upper Valley Housing Study. These initiatives should be targeted at increasing the number of affordable housing options in the entire Upper Valley geographic region and especially in communities or the parts of the region where shortages of affordable housing currently exist.

Tasks:

- 1. Work with Southern Windsor County Regional Planning Commission’s Housing Task Force and the Upper Valley Housing Coalition to educate municipalities and area residents regarding the linkage between housing and economic development (Over the course of the next five calendar years).**
- 2. Support Regional Housing Organizations with developing affordable housing programs and loan programs for owners of single-family housing where the home is considered to be substandard (Over the course of the next five calendar years).**