

East Central Vermont Comprehensive Economic Development Strategy (CEDS)

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SECTION I. INTRODUCTION

A. CEDS Process—Dynamic Planning

A Comprehensive Economic Development Strategy (CEDS) is a plan required by the U.S. Department of Commerce Economic Development Administration to be eligible for its planning and construction funds.

A CEDS is planning in a dynamic context. The CEDS process involves setting goals, examining options to reach them, and the selection of a course of action. It is a continuous process that constantly reevaluates the needs and resources of the region in order to implement projects and interventions that will produce significant positive results. It can be thought of as more a process than a plan. A CEDS results from local planning processes tailored to guide the economic growth of an area. It helps coordinate the efforts of regional planning commissions, economic development agencies, local governments and private industry concerning the development of a region.

A Committee that is comprised of representatives from the Southern Windsor County and Two Rivers-Ottawaquechee Regional Commissions, the Green Mountain and Springfield Regional Development Corporations, communities, business leaders and other interested persons oversees the CEDS process. Effort is made to have representation from all identified constraints or potentials to the region's economic progress. This design is intended to lend itself to an ongoing, participatory process that complements the circumstances and capabilities of the organizations and towns within the Area.

B. Description of the Area

The East Central Vermont Area is comprised of 40 towns covering approximately 1,627 square miles. Located in the East Central part of Vermont, the Area rests within 4 counties that comprise the larger regional economy: Windsor, Orange, Rutland and Addison. The majority of the Area is in Windsor and Orange counties. The Area is home to about 13% of Vermont's total population. Major transportation routes within the area include Interstates 89 and 91, and US Routes 4 and 5. The area is primarily rural.

The Area's population at the time of the 2000 U.S. Census was 80,871. The population of the area is expected to increase to 82,968 by the year 2010. Forecasts predict this growth rate over the period 2000 to 2010 will be slower than that of the entire State of Vermont and of the nation as a whole.

The Area's employment is expected to grow slowly as well. In 2001, approximately 32,077 people were employed within the Area in a diverse set of occupations. This number was expected to grow only slightly to 32,752 by 2005. This mirrors the State of Vermont where economists predict that economic restructuring will continue for years,

causing slow job growth. Unemployment remains low at less than 2% and is expected to rise to only 2.2% by 2008.

Jurisdictions

- **The Two Rivers-Ottawaquechee Regional Commission's** thirty town area includes: Barnard, Bethel, Bradford, Braintree, Bridgewater, Brookfield, Chelsea, Corinth, Fairlee, Granville, Hancock, Hartford, Hartland, Newbury, Norwich, Pittsfield, Plymouth, Pomfret, Randolph, Rochester, Royalton, Sharon, Stockbridge, Strafford, Thetford, Topsham, Tunbridge, Vershire, West Fairlee, Woodstock.
- **The Southern Windsor County Regional Planning Commission's** ten town area includes: Andover, Baltimore, Cavendish, Chester, Ludlow, Reading, Springfield, Weathersfield, West Windsor and Windsor.
- **The Green Mountain Economic Development Corporation** includes the same towns as the TRORC area.
- **The Springfield Regional Development Corporation** includes the same towns as the SWCRPC area.

State and Regional Economy

Vermont is one of the most rural states in the nation, and there is a certain mystique about the people and land that attracts population into the area. Its rugged rural landscape, the varying seasons, superior environment and independent character will continue to be a haven for individuals and families seeking a rural, self-sufficient lifestyle.

Vermont, like most states in the Northeast, has been undergoing restructuring of its economy. Many prominent Vermont industries have reduced their work forces and consolidated operations. This has been a reaction to changes wrought by global competition, consumer preferences, and a technological explosion. Economists at both the regional and national levels predict that this restructuring in Vermont will continue for years, and that overall job growth will continue at a slow pace.

The Area's economy is a reflection of historical patterns of development and recent economic trends occurring locally, statewide and regionally. Far from being static, Area occupations have become diversified, capturing the professional, technical, service, manufacturing, and agricultural sectors. As a consequence, a single business type does not dominate the Area's economy. The land itself reflects many changes. The amount of land in farms has declined, as has the number of people employed in agriculture. From a state perspective, economic activity has shifted to some degree away from the Area to Chittenden County and elsewhere. This mix has provided the residents of the Area a healthy economy, but one that depends upon diligently maintaining and enhancing existing economic resources, such as housing, labor, child care, infrastructure and

income, and continuing to develop new economic resources that increase the potential for greater income and diversity in the Area.

During the 1980's, there was a loss in manufacturing jobs and growth in the construction, finance, real estate, and retail trade sectors. This was the case for the Area and Vermont. Job growth in the Area during the past several years overall has been slow but steady, and the Area's overall unemployment rate has been low and steady. Historically, unemployment has been below the State average.

Personal incomes have changed only slightly in recent years. Regionally and statewide, per capita incomes have moved closer to the national norm. However, the work force is changing. Families are working more hours to "make ends meet," supplementing their primary incomes with side businesses. There are more and more households with two or more wage earners. This trend is likely to continue.

The economic challenge for the Area is not so much to increase the number of jobs, but to increase their real wages and quality. It is in the Area's long-term economic interest to foster a business climate that will encourage the growth of businesses appropriately scaled to their communities and that provide higher-paying, high satisfaction jobs.

C. Strategy Development

In order to develop a vision and mission statement, the CEDS Committee participated in a S.W.O.T. analysis in an effort to identify the Strengths, Weaknesses, Opportunities and Threats unique to the Area, which have relevance to economic development. This process was updated in the summer of 2003 with the help of a Vermont Community Development Planning Grant. The goals and objectives have been re-affirmed at CEDS Annual Meetings in 2004 and 2005. The result is a vision statement, goals and objectives that respond to the analysis of development potential and constraints. This is a critical element of the CEDS process and will provide a framework for public and private decision making. It also serves as the basis for the CEDS Action Plan.

D. Our Competitive Advantage

Assessing the Area's assets and opportunities, the CEDS Committee agreed that the competitive advantage of the Area is that it can supply those businesses taking advantage of Vermont's accessibility, marketing brand and quality of life with sufficient land, labor and capital. The vision and mission of the Committee are built upon this advantage.

E. Our Vision

A balanced, diversified and healthy economy and environment that supports a high quality of life for the Area.

F. Our Mission

Our mission is to support businesses that capitalize on the Area's assets for the benefit of the Area's residents.

G. Action Plan

The CEDS Committee considered the potentials and constraints to economic development within the Area and developed a list of goals, objectives and projects that address the Area's weaknesses and threats while leveraging the Area's opportunities and strengths. This Action Plan details a timeline for the implementation of these projects over the next five years (2011). The Action Plan also assigns responsibilities, resources and priorities for implementation.

SECTION II. CEDS PLANNING PROCESS

A. CEDS Process

The development and implementation of the CEDS was the result of a continuing planning process. The CEDS process rested on the comprehensive planning programs of the two regional planning commissions (RPCs) and the two regional development corporations (RDCs) comprising the East Central Vermont CEDS area. Specifically, these organizations are the:

Two Rivers-Ottawquechee Regional Commission;
Southern Windsor County Regional Planning Commission;
Green Mountain Economic Development Corporation; and
Springfield Regional Development Corporation.

Regional Planning Commissions – Vermont Municipal and Regional Planning and Development Act (24 V.S.A. Chapter 117) provides for the establishment of regional planning commissions. The two regional commissions were created by the acts of the constituent municipalities and with approval by the State of Vermont during the late 1960s and early 1970s. Commissioners were appointed by elected officials from each municipality to oversee the programs and operations of their respective commissions. These Commissioners represented forty (40) towns and villages within the CEDS area. Additionally, bylaws for each of the Commissions provided for Commissioners At-Large representing interest groups including regional economic development, housing, and travel and tourism. Collectively, the total number of Commissioners represented in excess of forty citizens representing a wide range of interests, both public and private.

Amongst the duties of regional commissions (24 V.S.A. Section 4345a) are to prepare and maintain a regional plan for its respective area. The law has required that any such plan be developed and implemented in a manner as to encourage and enable widespread citizen involvement. Such plans were reviewed and adopted by the Commissioners following public consultation meetings and hearings as required under the Act. Both of the regional commissions have had regional plans in effect since the early 1970s. Vermont law limits the life of a plan to a period of five (5) years and requires that the plan be updated to reflect changing conditions or needs for each region. Thus, the development of these plans has not been static and requires a continuing program of citizen involvement and participation.

The regional plans are official statements on growth and development of a region. Their purposes are to give guidance to municipalities, the State of Vermont, private investors, and regulatory agencies on the appropriate development and conservation of each region. The development of the CEDS was a logical extension of the two regional planning commission programs.

Regional Development Corporations – Regional development corporations are non-profit corporations organized pursuant to 11 V.S.A. Chapter 19. Both the Green

Mountain Economic Development Corporation and Springfield Regional Development Corporation were established in the late 1980s. Their purposes have been and continue to be coordination of public and private efforts to foster economic growth and prosperity in their respective area or region. In so doing, the corporations work to ensure that such activities are consistent with local and regional plans. A Board of Directors elected annually oversees the programs of the two regional development corporations. Both public and private interests are represented on these Boards. The regional development corporations, although private, are recipients of state grants for economic development assistance and are required to coordinate their activities with regional commissions, state agencies, and local governments.

Memorandum of Understanding – At the outset of the CEDS process, a Memorandum of Understanding (MOU) between each organization was developed, agreed to, and signed by each of the four organizations outlining their respective roles and responsibilities for creating a CEDS process and document. The MOU was referenced and included in the most recent CEDS. The provisions of the MOU continue to remain the baseline or foundation for inter-regional and inter-organizational development of the CEDS for the area.

B. Organization and Staffing

CEDS Board

The CEDS Board includes individuals representing low-income advocates, agriculture, education and industry etc. The Board is charged with the oversight of the CEDS planning process. The CEDS Board endorses all substantial amendments to the CEDS process and plan on an annual basis. See appendix A for the East Central Vermont CEDS Bylaws.

CEDS Steering Committee

For the purpose of assisting the CEDS Board in the identification of goals, objectives, and needs for the area, to complete all reports, and to respond to specific projects as relates to the CEDS document and the two regional plans, a CEDS Steering Committee was created. This Committee consists of at least one representative or board member from each of the four organizations and the Executive Director of each of these organizations. The Steering Committee is charged with the tasks of advancing the regional planning processes and to report its findings and recommendations to the CEDS Committee for action. Flexibility is reserved by the Steering Committee to make interim amendments to the CEDS as needed. Technical support to the CEDS Steering Committee is made available by the staff of the four organizations on a rotational basis.

C. Relationship with Existing Institutions

Inherent in the day-to-day activities of the four regional organizations forming the core of the East Central Vermont CEDS Committee, is interaction with many state agencies, land trusts, planning boards, selectboards, chambers of commerce, regional marketing organizations, transportation boards and many other organizations and civic groups. This ongoing interaction happens in several ways.

First, regional planning commissions have ongoing contracts with many state agencies including the Agency of Transportation (VTrans), Department of Housing & Community Affairs, and the Agency of Natural Resources. Work programs with these agencies are developed cooperatively, considering the needs of the region as well as statewide interests. Through project work, meetings and progress reports there is extensive interaction and teamwork towards addressing state and local interests. Regional planning's role as a liaison between localities and the state has been successful in ensuring that local concerns are heard.

Regional Development Corporations have similar relationships with businesses, educational institutions, state agencies and financiers. They work closely with the State Department of Economic Development on workforce education and training programs and business assistance. Furthermore, while seeking to attract and retain suitable industries, businesses and labor force, RDCs interact with groups of different interests and needs. These relationships provide a detailed knowledge of the opportunities, threats and needs of the region.

Since the core of the CEDS Committee is comprised of these two groups, their interactions will provide the foundation of the Committee's relationship with major economic development players. As the Committee diversifies and identifies additional resources and issues, they will develop new associations to deal with the needs of their constituents.

D. Process Calendar for Any Given Year

Throughout the development of the initial CEDS document, both the CEDS Board and the CEDS Steering Committee were intent on expanding and improving the on-going process to ensure that it more fully encompassed all elements of the CEDS Guidelines. Discussions at both the Committee and Steering Committee levels have resulted in a method to accomplish this and to improve outreach to persons or groups who might not be adequately represented. Below is the general planning process the Board will follow each year.

Mid August:

- Select date and location for fall semi-annual meeting
- Consider agenda for upcoming year
- Review previous year's accomplishments

Late September:

- Assign responsibility for semi-annual meeting advertisement
- Determine mailing list and information to be distributed
- Determine date for mailing invitations
- Arrange final meeting logistics (speaker, refreshments)

Late October/Early November

- Review Project Priority List
- Solicit new planning projects from communities and stakeholders

December

- Review results of the fall semi-annual meeting
- Prepare budget and draft Work Program
- Seek financial support

January

- Obtain Project Profile for all new projects
- Evaluate goals and projects

February

- Adjust the Project Priority and Project Planning lists
- Prepare Annual Report and Evaluation for presentation at spring semi-annual meeting

March

- Select date and location for spring semi-annual meeting.
- Consider meeting agenda
- Finalize Evaluation and Project Priority and Planning Lists

Mid April

- Plan for the spring semi-annual meeting

Late May/Early June

- Spring semi-annual meeting
- Present CEDS Annual Report and revisions and obtain endorsement
- Finalize Annual Report

June

- Mail Annual Report to EDA by June 30

E. Documentation

All information regarding the CEDS process is available at the office of TRORC. These include the CEDS annual report, meeting minutes, work session summaries and other

supporting materials. Documentation of the process is intended to serve as a record of all steps taken by the CEDS Committee to incorporate public participation and construct the CEDS document.

SECTION III. BACKGROUND INFORMATION

A. How Towns View Themselves Economically

The Area is a rural region within a rural state. The towns of the Area have developed in different ways economically. Their town plans reflect their similarities, differences, and interdependence. Some towns regard themselves as economic hubs. Others celebrate their remoteness.

The fact that several towns, such as Tunbridge, Barnard, Bridgewater, and Granville, are able to list and individually describe most commercial enterprises within their borders in two or three sentences illustrates a low level of development. These plans state that they would like increased commercial activity so long as it did not adversely affect their rural character, natural resources, or local services. For the most part however, they do not propose specific policies that would help guide growth or protect special attributes. Corinth regards the very act of adopting a town plan as “a step toward protecting the town against adverse development and use.” Chelsea’s Plan is an exception, as it suggests actions that could be taken to focus traffic-generating industrial activity in specific locations.

Bridgewater’s Plan looks to the good intentions of developers to protect its valued assets. An open letter to developers appended to the Plan expresses the hope that in “choosing to develop in the Town of Bridgewater we ask that you consider carefully ... the values of small town life ... the visual beauty and open spaces ... churches, old homes and stores centrally located in hamlet and village ... and make it your aim to enhance rather than detract from these values.”

Some towns have remained rural because they are remote. These are the towns that are least accessible by road from existing centers of development. In time however, outward growth pressures from such centers could reach the farthest corners of the Area. In the meantime, economic activity that does not depend on the transportation infrastructure--home based businesses, processing of local products, and occupations whose access is electronic--will continue to take place largely out of sight, carrying out the goals of these town plans by doing “business as usual.”

On the “developed” end of the spectrum, several towns define themselves as economic hubs. Of these, Woodstock’s concern is for finding suitable locations for the growth that is occurring and encouraging diversification. Randolph, Springfield, Windsor and Hartford want to increase their roles as regional employment, shopping and service centers, improving infrastructure and services in such a way as to accommodate growth. Bradford’s Plan recognizes that the town is “fortunate to have a well diversified local economic base” and proposes policies that would maintain and expand this base.

The developed towns in the Lower Connecticut Valley area (Springfield and Windsor) were part of the area known as the “Precision Valley” for its predominance of machine tool and precision metal working manufacturing sector. Economically, this region was a

major force in the state in the early 1900's and during WWII. Rapid changes in this industry lead to major declines in employment in the 1970-1990 period. The region has worked to diversify economically but still is suffering from this demise in terms of higher property taxes, aging infrastructure and population loss. The area continues to have a machine tool presence and views itself as continuing to support that sector while adding more diversity to its economic base.

If the Area were a single economic unit, the scenario described above might be admired as exemplifying the classic rural pattern. Commercial activity is concentrated in several widely dispersed towns while most of the Area consists of sparsely populated farm and forestland. Most plans refer to the fact that many of their residents are employed outside the town. When they list the places they go to work, many are outside the Area as well. Strafford, Andover and West Fairlee refer to themselves as “bedroom communities” for the Hartford-Lebanon-Hanover area. A realistic view, as far as planning is concerned, is that the economic future of the towns depends largely on forces outside of their direct control.

Review of local plans has revealed several common themes or values that are indicative of small towns. These are:

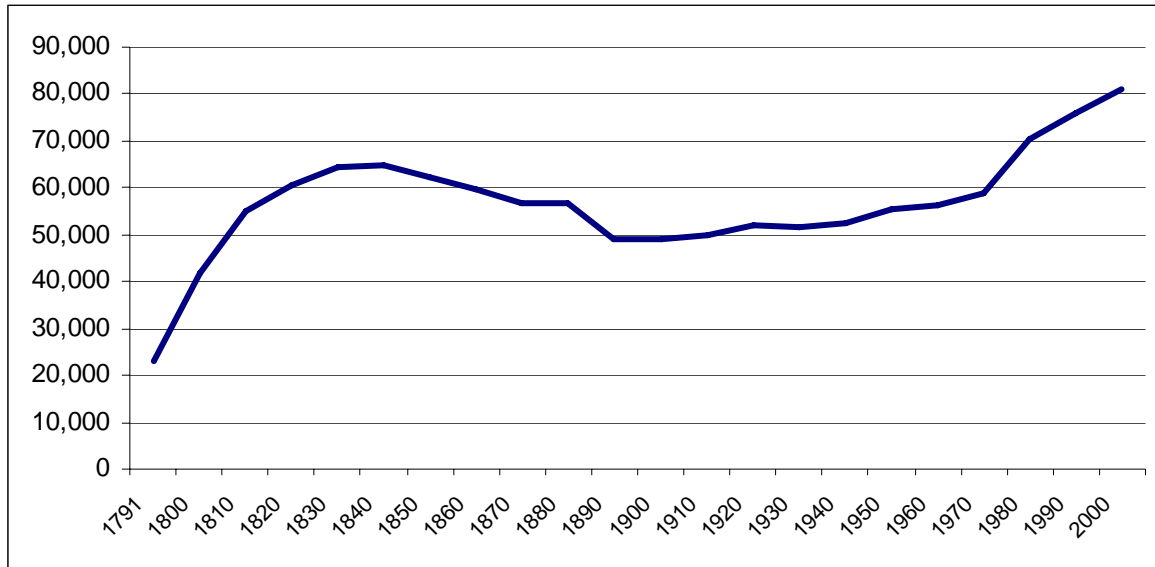
- a desirability for home and small-scale businesses;
- the relative importance of promoting agriculture and forestry to provide rural characters;
- the fact that property tax revenues and burden are key economic development factors; and
- the need to consider the “quality of life” as an economic value.

Larger communities also see these values as important, while recognizing their importance as a sub-regional center for growth and commerce and struggling with issues of directed development, traffic, and the fate of their historic downtowns.

B. Population Characteristics

Population, when considered in terms of the past, present, and future comprises an important element in the overall development of the Area. Increases or decreases in population relate directly to the design and capacity of this Area's infrastructure. The density and overall distribution pattern of population, and population movements within the Area, affect the type of public facilities necessary to provide an adequate level of service. Public investments can be more effectively prioritized and implemented with knowledge of the characteristics or changes affecting an area. The historical population trends for the Area are outlined in Figure 1.

Figure 1: CEDS Population 1791 – 2000



Source: U.S. Census

The availability of employment opportunities was a key factor in influencing growth rates for the Area and region in general. During the 1980's, the economic climate of Vermont and the area changed substantially as forces from around the globe influenced the State economy. Job growth in the White River Labor Market Area exceeded the rate for Vermont overall. The result was a migration of some families into the area. Those already in the area remained because of relatively stable jobs. This resulted in significant population growth.

Outlined in Table 1 are population statistics for the Area compiled by the U.S. Census Bureau. The 2000 population for the Area was reported as 80,871. This is an increase of 6.3 percent from the Area's 1990 population of 76,063. Vermont's overall population increased 8.2% between 1990 and 2000 to 608,872. As was the case for most of Vermont, rural communities in close proximity to major population centers experienced the greatest percentage increases in population. Overall for the Area population has increased relatively slowly (37%) since 1970, a net increase of 21,862 persons during the 30 year period to 2000.

The Upper Valley communities of White River Junction, Hanover, NH and Lebanon, NH continued during the 1980's to be a primary economic/employment hub for commuters from outlying communities. As a result, outlying towns began to experience an immigration of younger families seeking to purchase homes or land for homes. Communities experiencing rapid increases in population were usually close to major access roads or Interstate highways. Corinth, Sharon, Norwich, West Fairlee, and Vershire, all experienced over an 80% increase in population between 1970 and 2000, a rate far in excess of the State. This was due to lower land and real estate values and improved access to the Interstate, making travel time to and from work less. Towns

within the Area were affected unequally. Towns of Ludlow, Springfield, and Windsor experienced net population losses between 1970 and 2000. Factors contributing to gains and losses in population included the loss of major manufacturing employers, reductions in the average household size, growth in second home ownership, and the rising cost of living.

Table 1: Population Change 1970 - 2000

Town	1970	1980	1990	2000	Actual Population Change 1970-1980	Actual Population Change 1980-1990	Actual Population Change 1990-2000	Percent Population Change 1970-1980	Percent Population Change 1980-1990	Percent Population Change 1990-2000	Percent Population Change 1970-2000
Andover	239	350	373	496	111	23	123	46.44	6.57	32.98	56.07
Baltimore	170	181	190	250	11	9	60	6.47	4.97	31.58	11.76
Barnard	569	790	872	958	221	82	86	38.84	10.38	9.86	53.25
Bethel	1,347	1,715	1,866	1,968	368	151	102	27.32	8.80	5.47	38.53
Bradford	1,627	2,191	2,522	2,619	564	331	97	34.67	15.11	3.85	55.01
Braintree	751	1,065	1,174	1,194	314	109	20	41.81	10.23	1.70	56.32
Bridgewater	783	867	895	980	84	28	85	10.73	3.23	9.50	14.30
Brookfield	606	959	1,089	1,222	353	130	133	58.25	13.56	12.21	79.70
Cavendish	1,264	1,355	1,323	1,470	91	(32)	147	7.20	-2.36	11.11	4.67
Chelsea	983	1,091	1,166	1,250	108	75	84	10.99	6.87	7.20	18.62
Chester	2,371	2,791	2,832	3,044	420	41	212	17.71	1.47	7.49	19.44
Corinth	683	904	1,244	1,461	221	340	217	32.36	37.61	17.44	82.14
Fairlee	604	770	883	967	166	113	84	27.48	14.68	9.51	46.19
Granville	255	288	309	303	33	21	(6)	12.94	7.29	-1.94	21.18
Hancock	283	334	340	382	51	6	42	18.02	1.80	12.35	20.14
Hartford	6,477	7,963	9,404	10,367	1,486	1,441	963	22.94	18.10	10.24	45.19
Hartland	1,806	2,396	2,988	3,223	590	592	235	32.67	24.71	7.86	65.45
Ludlow	2,463	2,414	2,302	2,449	(49)	(112)	147	-1.99	-4.64	6.39	-0.57
Newbury	1,440	1,699	1,985	1,955	259	286	(30)	17.99	16.83	-1.51	35.76
Norwich	1,966	2,398	3,093	3,544	432	695	451	21.97	28.98	14.58	80.26
Pittsfield	249	396	389	427	147	(7)	38	59.04	-1.77	9.77	71.49
Plymouth	283	405	440	555	122	35	115	43.11	8.64	26.14	96.11
Pomfret	620	856	874	979	236	18	105	38.06	2.10	12.01	57.90
Randolph	3,882	4,689	4,764	4,853	807	75	89	20.79	1.60	1.87	25.01
Reading	564	647	614	707	83	(33)	93	14.72	-5.10	15.15	25.35
Rochester	884	1,054	1,181	1,171	170	127	(10)	19.23	12.05	-0.85	32.47
Royalton	1,399	2,100	2,389	2,603	701	289	214	50.11	13.76	8.96	86.06
Sharon	541	828	1,211	1,411	287	383	200	53.05	46.26	16.52	160.81
Springfield	10,063	10,190	9,579	9,078	127	(611)	(501)	1.26	-6.00	-5.23	-9.79
Stockbridge	389	508	618	674	119	110	56	30.59	21.65	9.06	73.26
Strafford	536	731	902	1,045	195	171	143	36.38	23.39	15.85	94.96
Thetford	1,422	2,188	2,438	2,617	766	250	179	53.87	11.43	7.34	84.04
Topsham	686	767	944	1,142	81	177	198	11.81	23.08	20.97	66.47
Tunbridge	791	925	1,154	1,309	134	229	155	16.94	24.76	13.43	65.49
Vershire	299	442	560	629	143	118	69	47.83	26.70	12.32	110.37
Weathersfield	2,040	2,534	2,674	2,788	494	140	114	24.22	5.52	4.26	36.67
West Fairlee	337	427	633	726	90	206	93	26.71	48.24	14.69	115.43
West Windsor	571	763	923	1,067	192	160	144	33.63	20.97	15.60	86.87
Windsor	4,158	4,084	3,714	3,756	(74)	(370)	42	-1.78	-9.06	1.13	-9.67
Woodstock	2,608	3,214	3,212	3,232	606	(2)	20	23.24	-0.06	0.62	23.93
CEDS Area	59,009	70,269	76,063	80,871	11,260	5,794	4,808	19.08	8.25	6.32	37.05
Vermont	444,330	511,456	562,758	608,827	67,126	11,565	46,069	15.11	10.03	8.19	37.02
New Hampshire	737,578	920,475	1,109,252	1,235,786	182,897	188,777	126,534	24.80	20.51	11.41	67.55

Source: U.S. Census 1970-2000.

Data 2000 Update Compiled by the Two Rivers-Ottawaquechee Regional Commission.

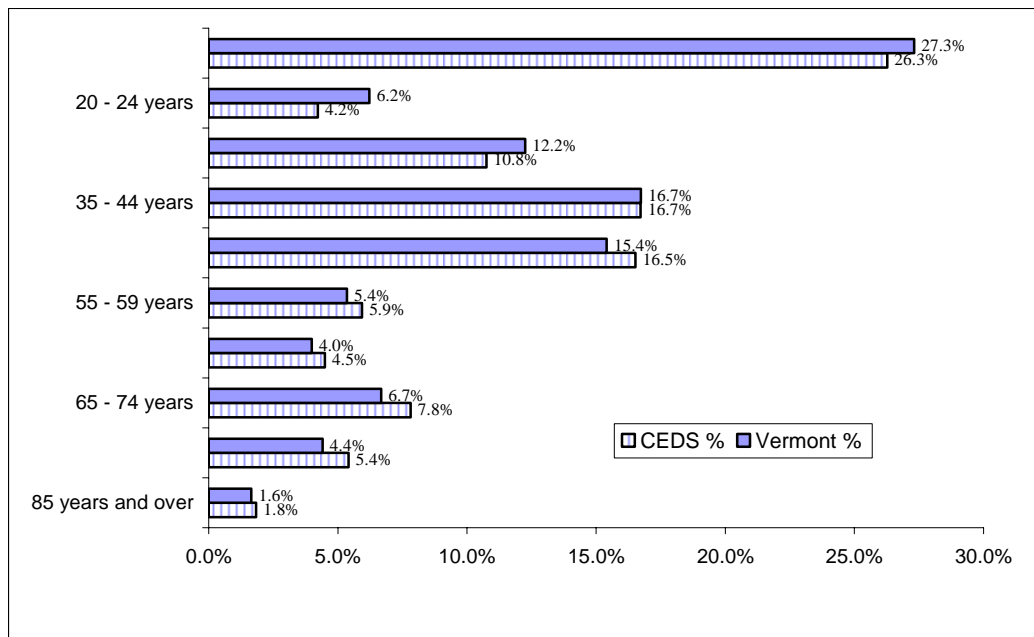
Other factors influencing rates of population growth other than jobs and commuting ease are: perceived quality of the school system, relative property tax burden for comparable housing, land values, and the market value for single family housing, particularly for “first time” home buyers.

The scenic and recreational assets associated with the towns in the Area are well known to visitors and residents. Increased emphasis on tourism and recreation, combined with the growth in the second home market, has resulted in significant fluctuations in the seasonal population, especially within the Lower Connecticut River Valley. Based on estimates that assume 2.5 persons per unit, if the 3,096 seasonal units in the Lower Connecticut River Valley were occupied at a given time, the total population within this area would increase by over 7,700 people. Many of these short-term visitors pass through the Lower Connecticut River Valley on their way to destinations in other parts of the state, and contribute to the Area’s economic growth.

Age of Population

Figure 2 shows the population percentage by age within the Area and Vermont. The CEDS Area has a slightly older population then that of the State of Vermont.

Figure 2: CEDS Area and Vermont Age Cohorts - 2000



Source: U.S. Census

Population Projections and Estimates

Population growth has been slowing in Vermont and the Area in the 1990s and this is expected to continue into the first half of the coming decade. In fact, between 1990 and 2000 population growth was nearly 4 % slower than the 1980 to 1990 period. Our forecasts predict population growth will be slow in the State of Vermont and slightly

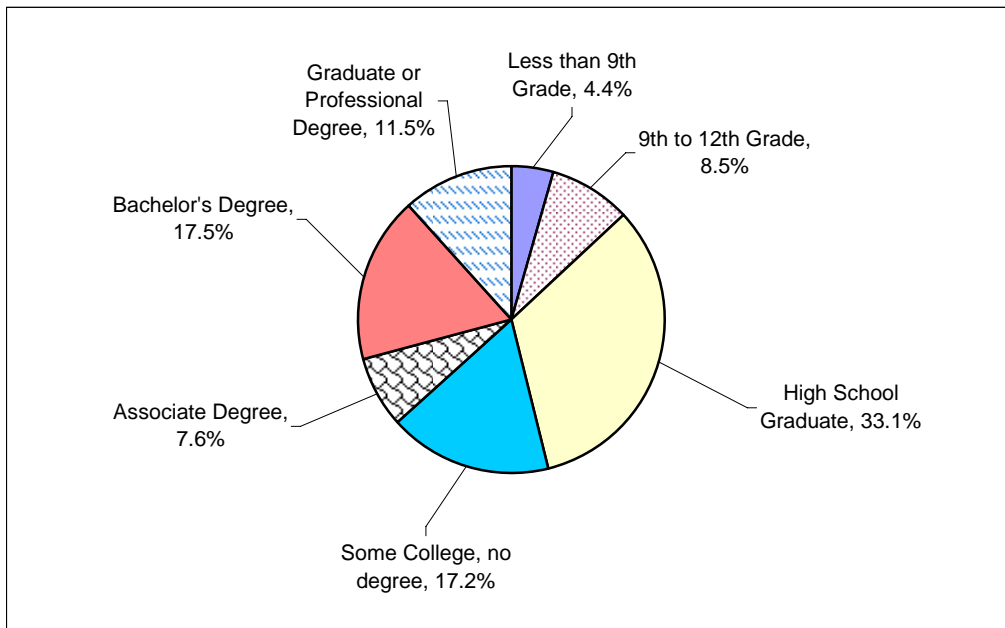
slower in the CEDS Area over the period 2000 to 2010 relative to population growth in the nation as a whole.

No dramatic growth in population has been forecasted for the Area (See Table 2). Population is expected to rise from the 2000 census figure of 80,871 to 82,968 in 2010. This is a net increase of 2097 persons, a less than 3% increase over the ten-year period. At the town level, we expect recent trends to continue over the forecast horizon. The town level forecasts are presented in Table 2. Nearly all demographic studies indicate that the high rates of growth during the 1980s were not repeated during the 1990s nor are expected to resurface in the near future. However, estimates for the 2000 population predicted less growth than occurred. Projections may understate actual population growth.

C. Educational Attainment

See Figure 3 for educational attainment for persons 18 and older for the Area.

Figure 3: CEDS Area Educational Attainment – 2000



Source: U.S. Census

Table 2: Population Forecasts

Town	Census 2000	Projections				% Change			
		2005	2010	2015	2020	2000-05	2005-10	2010-15	2015-20
Andover	496	522	542	559	575	5.3	3.7	3.1	2.8
Baltimore	250	277	297	311	323	10.6	7.2	4.7	4.0
Barnard	958	986	1,009	1,028	1,049	2.9	2.4	1.8	2.1
Bethel	1,968	2,018	2,057	2,095	2,135	2.5	1.9	1.9	1.9
Bradford	2,619	2,656	2,699	2,742	2,786	1.4	1.6	1.6	1.6
Braintree	1,194	1,200	1,201	1,208	1,209	0.5	0.1	0.5	0.1
Bridgewater	980	1,012	1,039	1,069	1,100	3.3	2.7	2.8	2.9
Brookfield	1,222	1,272	1,308	1,338	1,365	4.1	2.9	2.3	2.1
Cavendish	1,470	1,489	1,497	1,506	1,513	1.3	0.6	0.6	0.4
Chelsea	1,250	1,255	1,251	1,248	1,247	0.4	-0.3	-0.3	0.0
Chester	3,044	3,073	3,076	3,082	3,095	0.9	0.1	0.2	0.4
Corinth	1,461	1,525	1,574	1,621	1,678	4.4	3.2	3.0	3.5
Fairlee	967	999	1,025	1,050	1,074	3.3	2.7	2.4	2.3
Granville	303	317	325	331	339	4.7	2.5	1.9	2.3
Hancock	382	390	393	395	401	2.2	0.8	0.5	1.5
Hartford	10,367	10,600	10,790	11,007	11,226	2.2	1.8	2.0	2.0
Hartland	3,223	3,289	3,319	3,342	3,372	2.0	0.9	0.7	0.9
Ludlow	2,449	2,461	2,481	2,502	2,513	0.5	0.8	0.9	0.4
Newbury	1,955	1,968	1,973	1,983	1,994	0.7	0.2	0.5	0.6
Norwich	3,544	3,703	3,791	3,854	3,947	4.5	2.4	1.7	2.4
Pittsfield	427	436	440	446	455	2.1	0.8	1.4	2.0
Plymouth	555	575	590	601	610	3.7	2.6	1.8	1.4
Pomfret	997	1,021	1,027	1,028	1,032	2.4	0.6	0.1	0.4
Randolph	4,853	4,849	4,845	4,855	4,869	-0.1	-0.1	0.2	0.3
Reading	707	725	730	741	765	2.6	0.7	1.5	3.2
Rochester	1,171	1,168	1,162	1,156	1,154	-0.2	-0.5	-0.5	-0.2
Royalton	2,603	2,729	2,825	2,897	2,958	4.8	3.5	2.6	2.1
Sharon	1,411	1,507	1,595	1,684	1,781	6.8	5.8	5.6	5.8
Springfield	9,078	8,904	8,757	8,648	8,556	-1.9	-1.6	-1.2	-1.1
Stockbridge	674	702	725	745	769	4.1	3.3	2.8	3.2
Strafford	1,045	1,086	1,104	1,125	1,153	3.9	1.7	1.9	2.5
Thetford	2,617	2,682	2,724	2,775	2,835	2.5	1.6	1.9	2.2
Topsham	1,142	1,218	1,299	1,392	1,491	6.7	6.6	7.1	7.1
Tunbridge	1,309	1,353	1,374	1,388	1,409	3.4	1.6	1.0	1.5
Vershire	629	670	701	731	763	6.6	4.6	4.2	4.3
Weathersfield	2,788	2,788	2,768	2,741	2,710	0.0	-0.7	-1.0	-1.1
West Fairlee	726	779	823	868	915	7.3	5.7	5.4	5.5
West Windsor	1,067	1,097	1,112	1,119	1,122	2.8	1.4	0.7	0.2
Windsor	3,756	3,697	3,645	3,612	3,582	-1.6	-1.4	-0.9	-0.8
Woodstock	3,232	3,164	3,073	2,998	2,941	-2.1	-2.9	-2.4	-1.9
CEDS Area	80889	82161	82968	83,820	84,811	1.6	1.0	1.0	1.2
Vermont	608,827	625,935	639,241	652,199	666,041	3	2	2	2

Source: Massachusetts Institute for Social and Economic Research, August 2003

D. Per Capita Income

The Vermont Department of Labor calculated the per capita personal income for Vermonters as \$33,327. This is slightly less than the United States figure of \$34,586.

E. Median Family Income (MFI)

The U.S. Census reported median family income for the 1999 tax year for each town in the Area. (See Table 3) Median family income ranged from a high of \$78,178 in Norwich to a low of \$31,750 in Granville. Over the ten-year period between 1979 and 1989 median family income levels increased dramatically throughout the Northeast and Vermont. Median family income levels doubled during this period for most areas throughout the Area.

Using U.S. Department of Social Security Cost of Living Adjustment (COLA) figures from 2000-2005, median family income is projected to 2010. Table 4 includes a low and a high projection for each town in the CEDS region based on cost of living increases of 0.014 and 0.027.

Table 3: CEDS Area Income

Town	Median Family Income					Per Capita Income				
	1979	1989	1999	% Change 1979-1989	% Change 1989-1999	1979	1989	1999	% Change 1979-1989	% Change 1989-1999
Andover	17,500	31,250	50,625	78.57	62.00	5,261	13,882	21,744	163.87	56.63
Baltimore	21,250	31,563	46,964	48.53	48.79	6,670	11,952	17,260	79.19	44.41
Barnard	17,614	37,813	48,125	114.68	27.27	6,017	15,323	25,354	154.66	65.46
Bethel	14,806	32,098	41,250	116.79	28.51	5,505	11,899	17,577	116.15	47.72
Bradford	15,343	31,026	42,128	102.22	35.78	5,615	10,751	18,452	91.47	71.63
Braintree	13,676	33,125	45,357	142.21	36.93	4,896	12,307	16,480	151.37	33.91
Bridgewater	14,886	33,636	47,500	125.96	41.22	5,623	14,355	19,811	155.29	38.01
Brookfield	15,917	35,592	51,071	123.61	43.49	5,683	12,766	21,502	124.63	68.43
Cavendish	17,857	28,698	41,591	60.71	44.93	6,700	13,170	18,420	96.57	39.86
Chelsea	13,750	30,238	40,625	119.91	34.35	4,809	11,105	16,164	130.92	45.56
Chester	17,500	33,361	47,083	90.63	41.13	6,212	11,832	19,661	90.47	66.17
Corinth	13,478	28,500	33,646	111.46	18.06	5,036	10,332	14,431	105.16	39.67
Fairlee	14,526	31,250	48,250	115.13	54.40	5,334	13,232	18,454	148.07	39.46
Granville	15,667	26,875	31,750	71.54	18.14	5,001	11,318	14,453	126.31	27.70
Hancock	13,693	22,813	40,000	66.60	75.34	4,734	9,144	16,255	93.16	77.77
Hartford	18,384	38,469	51,286	109.25	33.32	7,087	15,097	22,792	113.02	50.97
Hartland	18,806	34,877	55,354	85.46	58.71	6,837	17,645	23,715	158.08	34.40
Ludlow	16,563	31,929	44,375	92.77	38.98	5,986	12,208	24,708	103.94	102.39
Newbury	13,877	27,614	42,262	98.99	53.05	5,132	12,448	17,659	142.56	41.86
Norwich	25,313	58,377	78,178	130.62	33.92	9,733	20,454	35,285	110.15	72.51
Pittsfield	16,250	34,375	47,000	111.54	36.73	6,989	15,360	21,837	119.77	42.17
Plymouth	15,234	29,018	46,667	90.48	60.82	5,987	14,534	25,272	142.76	73.88
Pomfret	19,286	40,288	56,250	108.90	39.62	8,819	16,172	27,922	83.38	72.66
Randolph	15,234	30,833	50,756	102.40	64.62	5,110	10,730	20,591	109.98	91.90
Reading	15,978	33,750	48,636	111.23	44.11	6,375	15,324	20,504	140.38	33.80
Rochester	15,395	27,935	41,131	81.46	47.24	6,036	13,022	19,986	115.74	53.48
Royalton	14,037	32,582	42,898	132.12	31.66	4,876	11,521	16,755	136.28	45.43
Sharon	16,292	36,488	47,500	123.96	30.18	5,879	14,302	20,824	143.27	45.60
Springfield	19,167	30,328	42,620	58.23	40.53	7,127	12,145	18,452	70.41	51.93
Stockbridge	15,893	34,091	44,821	114.50	31.47	6,336	12,151	21,379	91.78	75.94
Stratford	14,762	35,417	52,596	139.92	48.50	6,618	13,009	22,267	96.57	71.17
Thetford	16,418	41,068	55,323	150.14	34.71	6,274	11,105	22,870	77.00	105.94
Topsham	12,857	27,240	37,440	111.87	37.44	4,960	9,785	15,405	97.28	57.43
Tunbridge	12,917	30,417	45,670	135.48	50.15	5,011	12,093	19,934	141.33	64.84
Vershire	12,604	30,208	40,714	139.67	34.78	4,881	12,894	16,162	164.17	25.35
Weathersfield	17,250	29,018	46,282	68.22	59.49	6,019	13,227	21,647	119.75	63.66
West Fairlee	12,125	30,568	42,500	152.11	39.03	5,054	12,305	18,010	143.47	46.36
West Windsor	17,955	41,154	63,456	129.21	54.19	7,959	18,643	28,360	134.24	52.12
Windsor	17,058	36,518	43,551	114.08	19.26	6,140	13,536	17,640	120.46	30.32
Woodstock	18,133	39,318	57,330	116.83	45.81	8,284	15,020	28,326	81.31	88.59
CEDS Area	15,905	32,014	46,475	101.28	45.17	5,987	12,830	20,245	114.30	57.79
Vermont	17,205	34,780	48,625	102.15	39.81	6,177	13,527	20,625	118.99	52.47
United States	**	**	50,046	**	**	7,295	14,420	21,587	97.67	49.70

Source: US Census 1980, 1990, 2000

Data 2000 Update Compiled by the Two Rivers-Ottawaquechee Regional Commission.

Table 4: CEDS Area Projected Median Family Income by Town

Town	Actual 2000	2005		2006		2007		2008		2009		2010	
	Median	low	high	low	high	low	high	low	high	low	high	low	high
Andover	\$50,625	\$55,029	\$59,400	\$55,799	\$61,004	\$56,581	\$62,651	\$57,373	\$64,342	\$58,176	\$66,080	\$58,990	\$67,864
Baltimore	\$46,964	\$51,050	\$55,105	\$51,765	\$56,593	\$52,489	\$58,121	\$53,224	\$59,690	\$53,969	\$61,302	\$54,725	\$62,957
Barnard	\$48,125	\$52,312	\$56,467	\$53,044	\$57,992	\$53,787	\$59,557	\$54,540	\$61,165	\$55,304	\$62,817	\$56,078	\$64,513
Beridgewater	\$41,250	\$44,839	\$48,400	\$45,467	\$49,707	\$46,103	\$51,049	\$46,749	\$52,427	\$47,403	\$53,843	\$48,067	\$55,296
Bethel	\$42,128	\$45,793	\$49,430	\$46,434	\$50,765	\$47,084	\$52,135	\$47,743	\$53,543	\$48,412	\$54,989	\$49,090	\$56,473
Bradford	\$45,357	\$49,303	\$53,219	\$49,993	\$54,656	\$50,693	\$56,132	\$51,403	\$57,647	\$52,122	\$59,204	\$52,852	\$60,802
Braintree	\$47,500	\$51,632	\$55,733	\$52,355	\$57,238	\$53,088	\$58,783	\$53,831	\$60,370	\$54,585	\$62,000	\$55,349	\$63,674
Brookfield	\$51,071	\$55,514	\$59,923	\$56,291	\$61,541	\$57,079	\$63,203	\$57,878	\$64,909	\$58,689	\$66,662	\$59,510	\$68,461
Cavendish	\$41,591	\$45,209	\$48,800	\$45,842	\$50,118	\$46,484	\$51,471	\$47,134	\$52,860	\$47,794	\$54,288	\$48,463	\$55,753
Chelsea	\$40,625	\$44,159	\$47,667	\$44,777	\$48,954	\$45,404	\$50,276	\$46,040	\$51,633	\$46,684	\$53,027	\$47,338	\$54,459
Chester	\$47,083	\$51,179	\$55,244	\$51,896	\$56,736	\$52,622	\$58,267	\$53,359	\$59,841	\$54,106	\$61,456	\$54,863	\$63,116
Corinth	\$33,646	\$36,573	\$39,478	\$37,085	\$40,544	\$37,604	\$41,639	\$38,131	\$42,763	\$38,665	\$43,917	\$39,206	\$45,103
Fairlee	\$48,250	\$52,448	\$56,613	\$53,182	\$58,142	\$53,927	\$59,711	\$54,682	\$61,324	\$55,447	\$62,979	\$56,224	\$64,680
Granville	\$31,750	\$34,512	\$37,253	\$34,995	\$38,259	\$35,485	\$39,292	\$35,982	\$40,353	\$36,486	\$41,442	\$36,996	\$42,561
Hancock	\$40,000	\$43,480	\$46,933	\$44,089	\$48,200	\$44,706	\$49,502	\$45,332	\$50,838	\$45,966	\$52,211	\$46,610	\$53,620
Hartford	\$51,286	\$55,748	\$60,176	\$56,528	\$61,801	\$57,320	\$63,469	\$58,122	\$65,183	\$58,936	\$66,943	\$59,761	\$68,750
Hartland	\$55,354	\$60,170	\$64,949	\$61,012	\$66,703	\$61,867	\$68,504	\$62,733	\$70,353	\$63,611	\$72,253	\$64,501	\$74,204
Ludlow	\$44,375	\$48,235	\$52,067	\$48,910	\$53,473	\$49,595	\$54,917	\$50,289	\$56,399	\$50,993	\$57,922	\$51,707	\$59,486
Newbury	\$42,262	\$45,939	\$49,588	\$46,582	\$50,927	\$47,234	\$52,302	\$47,896	\$53,714	\$48,566	\$55,164	\$49,246	\$56,654
Norwich	\$78,178	\$84,979	\$91,729	\$86,169	\$94,206	\$87,375	\$96,749	\$88,598	\$99,361	\$89,839	\$102,044	\$91,096	\$104,799
Pittsfield	\$47,000	\$51,089	\$55,147	\$51,804	\$56,636	\$52,530	\$58,165	\$53,265	\$59,736	\$54,011	\$61,348	\$54,767	\$63,005
Plymouth	\$46,667	\$50,727	\$54,756	\$51,437	\$56,234	\$52,157	\$57,753	\$52,888	\$59,312	\$53,628	\$60,913	\$54,379	\$62,558
Pomfret	\$56,250	\$61,143	\$66,000	\$61,999	\$67,782	\$62,867	\$69,612	\$63,747	\$71,492	\$64,640	\$73,422	\$65,545	\$75,404
Randolph	\$50,756	\$55,172	\$59,554	\$55,944	\$61,162	\$56,728	\$62,813	\$57,522	\$64,509	\$58,327	\$66,251	\$59,144	\$68,040
Reading	\$48,636	\$52,867	\$57,066	\$53,607	\$58,607	\$54,358	\$60,189	\$55,119	\$61,814	\$55,890	\$63,483	\$56,673	\$65,197
Rochester	\$41,131	\$44,709	\$48,261	\$45,335	\$49,564	\$45,970	\$50,902	\$46,613	\$52,277	\$47,266	\$53,688	\$47,927	\$55,138
Royalton	\$42,898	\$46,630	\$50,334	\$47,283	\$51,693	\$47,945	\$53,089	\$48,616	\$54,522	\$49,297	\$55,994	\$49,987	\$57,506
Sharon	\$47,500	\$51,632	\$55,733	\$52,355	\$57,238	\$53,088	\$58,783	\$53,831	\$60,370	\$54,585	\$62,000	\$55,349	\$63,674
Springfield	\$42,620	\$46,328	\$50,008	\$46,977	\$51,358	\$47,634	\$52,745	\$48,301	\$54,169	\$48,977	\$55,632	\$49,663	\$57,134
Stockbridge	\$44,821	\$48,720	\$52,590	\$49,402	\$54,010	\$50,094	\$55,468	\$50,795	\$56,966	\$51,506	\$58,504	\$52,227	\$60,084
Strafford	\$52,596	\$57,172	\$61,713	\$57,972	\$63,379	\$58,784	\$65,090	\$59,607	\$66,848	\$60,441	\$68,653	\$61,288	\$70,506
Thetford	\$55,323	\$60,136	\$64,913	\$60,978	\$66,666	\$61,832	\$68,466	\$62,697	\$70,314	\$63,575	\$72,213	\$64,465	\$74,162
Topsham	\$37,440	\$40,697	\$43,930	\$41,267	\$45,116	\$41,844	\$46,334	\$42,430	\$47,585	\$43,024	\$48,870	\$43,627	\$50,190
Tunbridge	\$45,670	\$49,643	\$53,586	\$50,338	\$55,033	\$51,043	\$56,519	\$51,757	\$58,045	\$52,482	\$59,612	\$53,217	\$61,221
Vershire	\$40,714	\$44,256	\$47,771	\$44,876	\$49,061	\$45,504	\$50,385	\$46,141	\$51,746	\$46,787	\$53,143	\$47,442	\$54,578
Weathersfield	\$46,282	\$50,308	\$54,304	\$51,012	\$55,770	\$51,726	\$57,276	\$52,451	\$58,822	\$53,185	\$60,411	\$53,930	\$62,042
West Fairlee	\$42,500	\$46,197	\$49,867	\$46,844	\$51,213	\$47,500	\$52,596	\$48,165	\$54,016	\$48,839	\$55,475	\$49,523	\$56,973
West Windsor	\$63,456	\$68,976	\$74,455	\$69,942	\$76,465	\$70,921	\$78,530	\$71,914	\$80,650	\$72,921	\$82,828	\$73,941	\$85,064
Windsor	\$43,551	\$47,340	\$51,100	\$48,003	\$52,480	\$48,675	\$53,897	\$49,356	\$55,352	\$50,047	\$56,846	\$50,748	\$58,381
Woodstock	\$57,330	\$62,317	\$67,267	\$63,189	\$69,083	\$64,074	\$70,948	\$64,971	\$72,864	\$65,881	\$74,831	\$66,803	\$76,852
CEDS Area	\$46,475	\$50,518	\$54,530	\$51,225	\$56,002	\$51,942	\$57,514	\$52,669	\$59,067	\$53,406	\$60,662	\$54,154	\$62,300
Vermont	\$48,625	\$52,855	\$57,053	\$53,595	\$58,593	\$54,345	\$60,175	\$55,106	\$61,800	\$55,878	\$63,469	\$56,660	\$65,182

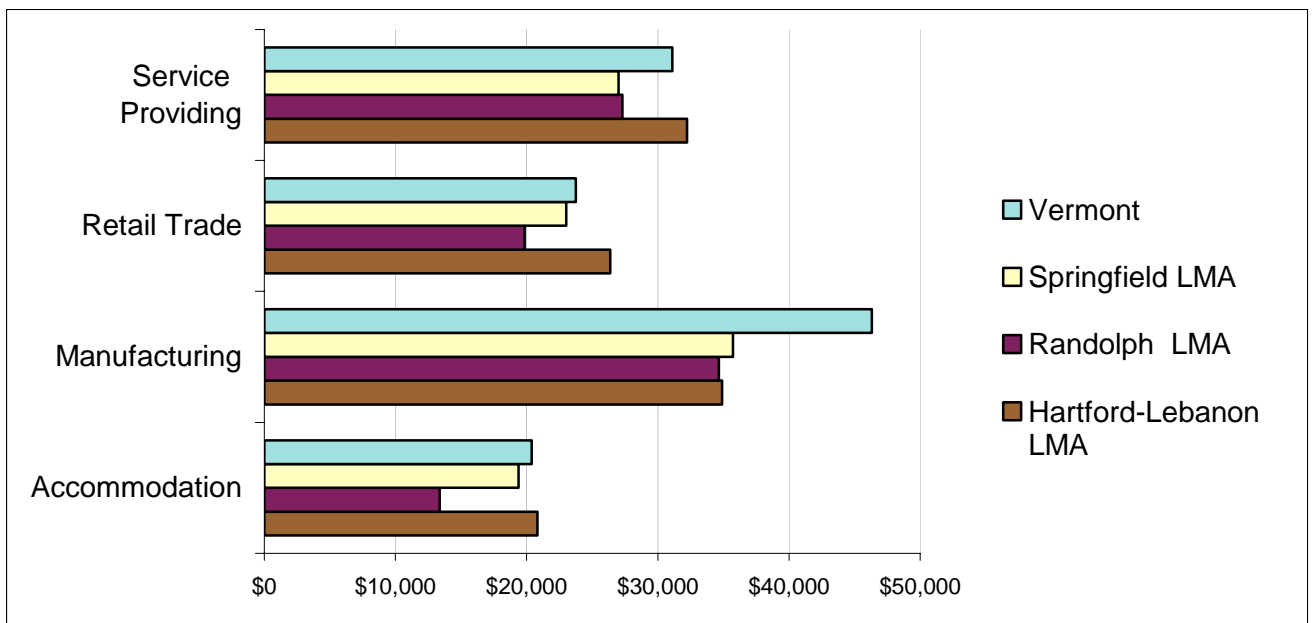
Notes: U.S. Census Bureau is the source for the 2000 Actual Median Family Income. Cost of Living Adjustment (COLA) figures from U.S. Dept. of Social Security. Projections developed using high (0.027) and low (0.014) COLA figures from 2000-2005.

F. Average Annual Wages

Although wages in the State of Vermont, and the Area, have risen in the past twenty years, they have not kept pace with the national average. This failure to keep pace with the national average wage rate is due, in part, to the changing structure of the state’s economy from manufacturing to service-related jobs and to the proportional increase in nondurable goods-related jobs within the manufacturing sector itself.

Most average annual wages within the Area’s Labor Market Areas (LMA) are less than the state average wages (see Figure 4).

Figure 4: Average Annual Wages for Selected Sectors - 2005



Source: Vermont Department of Labor

G. Area Employment Structure

As used in municipal and regional planning, the term economy refers to jobs, production, income, resources, and capital that involve or affect the activities of an area. The make-up of the Area’s economy has a direct impact on the well-being of residents and workers. Furthermore, economic development can be directly related to the availability of public services, including energy and transportation. Table 6 shows the industry composition for the Area as compared to the State of Vermont. The largest sectors of the Area’s economy are the Manufacturing, Retail Trade, and Health and Educational Services. Educational, Health and Social Service is now the largest industry within the Area due to the increasing presence of residents working at Dartmouth College and Dartmouth Hitchcock Medical Center in New Hampshire. Figure 5 shows the percentage in each industry group.

Appendix D contains a summary of the Key Industry Study for the region. This report, which was completed in October 2003, identifies key industry groups within the CEDS area. Review and analysis of this report will be the focus of future CEDS activities.

Manufacturing - The town of Windsor and Springfield are experiencing great declines, in their manufacturing base. A contributing factor to this decline was the closing of most of the precision machine corporations including the 1986 closing of the Goodyear plant located in Windsor and the steady decline at three major manufacturing employers in Springfield. Recently, the Bryant Grinder Manufacturing plant in Springfield closed leaving approximately 230 employees impacted and nearly 190 unemployed. The Lower Connecticut River Valley area felt the greatest negative impact from the decline in the machine tool sector. The largest manufacturing sector in the state is in the electrical machinery industry, primarily based outside of this Area in Chittenden County. Major industries include: industrial machinery and equipment; stone, clay and glass products; printing and publishing; and lumber and wood products.

Table 5: Average Annual Wages

CEDS Area	2000	2001	2002	2003	2004	2005	Compound Annual Growth
All Industries	\$26,674	\$28,088	\$29,127	\$30,147	\$31,142	\$32,169	3.8%
Private Industries	\$25,854	\$27,253	\$28,283	\$29,293	\$30,280	\$31,300	3.9%
Construction	\$28,064	\$29,659	\$30,837	\$31,995	\$33,127	\$34,300	4.1%
Manufacturing	\$32,475	\$34,213	\$35,491	\$36,746	\$37,970	\$39,236	3.9%
Durable	\$32,988	\$34,655	\$35,877	\$37,074	\$38,240	\$39,443	3.6%
Nondurable	\$31,439	\$33,210	\$34,516	\$35,800	\$37,056	\$38,356	4.1%
Transportation & Public Utilities	\$32,958	\$34,555	\$35,725	\$36,868	\$37,981	\$39,127	3.5%
Wholesale Trade	\$32,048	\$33,748	\$34,998	\$36,224	\$37,420	\$38,656	3.8%
Retail Trade	\$16,691	\$17,544	\$18,169	\$18,782	\$19,380	\$19,996	3.7%
F.I.R.E.	\$36,949	\$39,192	\$40,852	\$42,490	\$44,096	\$45,762	4.4%
Services	\$25,087	\$26,523	\$27,582	\$28,625	\$29,645	\$30,701	4.1%
Government	\$29,755	\$31,192	\$32,243	\$33,271	\$34,272	\$35,302	3.5%

Data Sources: Wages data are from the annual ES-202 survey of the Vermont Department of Employment and Training.
 "Economic Outlook: 2000-2004" New England Economic Project (NEEP)

Methodology: CEDS forecast is based on the average annual wage in the two county (Orange and Windsor) region for 1999.
 Aggregate wage growth in ES-202 adjusted up by 0.5% to be consistent with NEEP forecast for VT wages.
 Subsectors adjusted to trend from 1993 to 1998 from ES-202.

Table 6: Industry Composition

INDUSTRY	CEDS Area						Vermont					
	1980	1990	2000	% in 2000	% change ('80-'90)	% change ('90-'00)	1980	1990	2000	% in 2000	% change ('80-'90)	% change ('90-'00)
Agriculture, Forestry, Fishing and Hunting, Mining	1,722	1,897	1,440	3.3%	10.16	-24.09	12,099	12,813	9,643	3.0%	5.90	-24.74
Construction	2,311	3,553	3,320	7.5%	53.74	-6.56	13,832	21,952	21,155	6.7%	58.70	-3.63
Manufacturing	8,059	6,272	6,078	13.8%	-22.17	-3.09	54,201	44,018	47,767	15.1%	-18.79	8.52
Transportation, Warehousing, and Utilities	1,132	1,289	1,670	3.8%	13.87	29.56	7,407	9,131	11,783	3.7%	23.28	29.04
Information	670	616	1,250	2.8%	-8.06	102.92	4,937	5,637	8,425	2.7%	14.18	49.46
Wholesale trade	958	1,046	1,249	2.8%	9.19	19.41	7,018	14,071	9,901	3.1%	100.50	-29.64
Retail trade	4,480	6,024	5,069	11.5%	34.46	-15.85	35,555	48,114	38,027	12.0%	35.32	-20.96
Finance, Insurance, Real Estate, Rental and Leasing	1,214	1,914	1,753	4.0%	57.66	-8.41	10,211	15,971	14,819	4.7%	56.41	-7.21
Professional, Scientific, Management, Administrative and Waste Management Services	927	1,368	3,331	7.6%	47.57	143.49	6,371	10,569	22,437	7.1%	65.89	112.29
Arts, Entertainment, Recreation Accomodation and Food Services	1,777	2,161	3,807	8.6%	21.61	76.17	11,659	14,887	27,237	8.6%	27.69	82.96
Educational, Health, and Social Services	6,325	8,272	11,541	26.2%		39.52	44,716	55,694	76,381	24.1%		37.14
Other Services (except Public Admin.)	1,344	2,454	1,998	4.5%	82.59	-18.58	9,044	18,102	14,963	4.7%	100.15	-17.34
Public Administration	1,078	1,302	1,566	3.6%	20.78	20.28	10,145	12,187	14,596	4.6%	20.13	19.77
Totals:	31,997	38,168	44,072				227,195	283,146	317,134			

Source: US Census 2000, 1990, 1980.

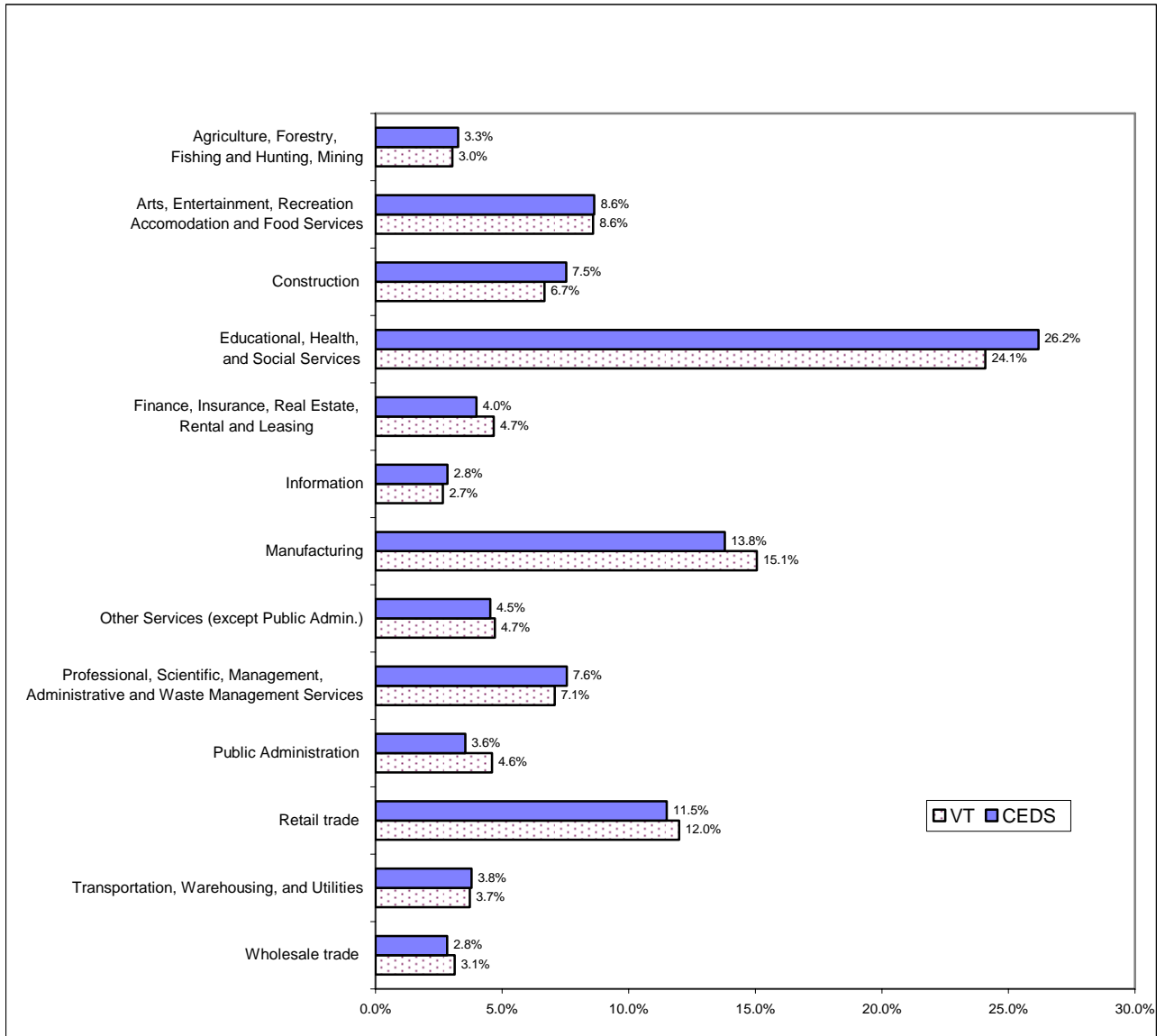
Data 2000 Update Compiled by the Two Rivers-Ottawaquechee Regional Commission.

Agriculture and Forestry - Throughout much of Vermont's history, many residents of the state have depended on agriculture and forestry for their livelihoods. Although a rural state, Vermont is no longer the farm state it once was. With the completion of the Interstate system in the 1960s-70s, the value of open land for development soon surpassed its value for agriculture and forestry. Farm population and acres of land in farm production have declined. Employment in agriculture declined from 5.3% of the Vermont work force in 1980 to 3% in 2000. Dairy farming continues to be significant in the Area's agricultural sector but the number of farms since the late 1980's has dropped significantly due to the low price paid for raw milk. The Upper Connecticut River Valley and White River Valley areas are the areas most recognized as agricultural for the Area.

While dairy product dollar sales have fallen, other forms of agriculture are on the increase, including sheep, beef, nursery, and hay. The future economy of farming will force more marginal farms out of business. Diversification into other areas is likely. The timber production and wood products industries remain a healthy component of the Area's economy. Based on State statistics however, its relative contribution to the economy has declined as other sectors have grown. Most of the Area's land base is in forests. Much of the future of the industry will depend on tax burdens carried by timber owners, regional markets, access to basic wood processing, and environmental policies.

Smaller farms and more specialized products have replaced large dairy farms. In the Lower Connecticut River Valley, there are several vegetable farms as well as dairy, beef, sheep and goat farms, and Christmas tree farms. In addition, the Area supports an active maple sugar industry, bee keeping and honey production, fruit orchards and cider making. Farmers' Markets and roadside stands are popular attractions for residents and tourists alike. Although agriculture and forestry operations do not employ a large proportion of the workforce in the Area, they are important to the diversity of the Area's economy and contribute to the rural character of the towns in the Area.

Figure 5: Percentage in Industry Sectors – 2000



Health & Education – Health services employs the largest number of people within the regional service sector. Health and education amounts to nearly a quarter of Vermont’s employment and its field is growing. It is now recognized as a primary business sector for Vermont. Vermont’s colleges and universities have attracted a substantial enrollment from outside the State. Vermont Technical College in Randolph and the Vermont Law School in South Royalton stand as excellent examples of colleges playing a key role in the future of the State and Area. The Vermont Technical College has developed a science and technology program that has been aimed at training Vermonters for jobs in these fields. The presence of Dartmouth College and Dartmouth Hitchcock Medical Center in Hanover and Lebanon, New Hampshire attracts many employees from neighboring Vermont towns and is becoming a larger influence on the Area.

Goods and Services Industry - As noted earlier, since the late 1970's, Vermont has experienced a decline in manufacturing employment. Vermont followed the trend of the Northeast during this period. Decline in employment for the service industry has not been the case. Rather, this sector has grown significantly. One concern that has been expressed from recent trends is the contrast between the jobs lost from manufacturing and the gain to services. Manufacturing jobs paid 40% higher wages than the average for Vermont industries. Retail trade and service jobs were respectively 28 and 12 percent below average (Vermont Partnership for Economic Progress, 1993). The services industry makes up the largest proportion of the regional economy and has grown 19% between 1993 and 1997. These differences are believed to be present today.

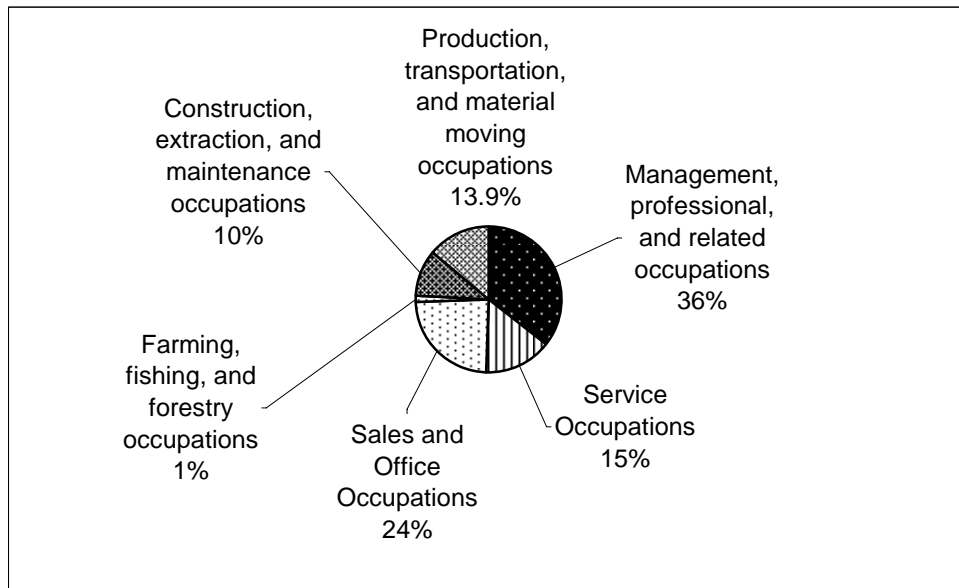
Travel and Recreation - There are many instances in which recreation and tourism go hand in hand, providing both economic benefit and entertainment. Visitors and seasonal residents from outside the Area and the state frequent the area. These visitors come to enjoy not only the scenery and local tourist attractions but to hike, fish, ski, boat, hang glide, bicycle and enjoy the many other recreational opportunities present in the Area. Tourism activities provide significant income to both local and regional economies, and residents benefit from the variety of recreational activities available within the Area.

Vermont and the Area have a history as an attraction for tourists and recreation seekers. Today 11% of Vermonters are employed in travel and recreation. The White River Labor Market Area, of which the Area is a part, has experienced rapid growth in travel and recreation. Ludlow is a primary source for tourism-related income for both the Area and the state. Other towns in the Area that derive significant income from tourism and second home development include Chester, Woodstock and West Windsor. Also, a variety of tourism-related activities and commercial establishments (such as bed-and-breakfast inns, craft shops, antique stores, recreational clothing and equipment shops, etc.) are scattered throughout the Area. Regionally, amusement and recreational services is the second largest sub sector within services industries.

H. Occupations

The 2000 Census indicates that of the employed persons 16 years and older 10,304 or 36% of all employed persons held jobs in the managerial and professional related occupations. Another 24 % were employed in the sales and office occupations. See Figure 6 for occupations for the Area.

Figure 6: CEDS Area Occupations – 2000



Source: U.S. Census

Over the decade from 1980 to 1990, there were changes in the occupations of the residents of the Area. Persons employed in the managerial and professional specialties increased from 9 to 11 percent. Still, these occupations combined only comprise 20% of the Area's occupations. The number of jobs in technical, sales, and administrative support also slightly increased. Lastly, as has been the case for the rest of Vermont, specialty and support occupations (white collar) have increased while operator and laborer (blue-collar) jobs have decreased.

Based upon an analysis of occupational types for 1990, the Area's overall work force profiles closely with the typical workforce of the State (1990 U.S. Census of Population and Housing).

Occupational projections through 2012 are available through The Vermont Department of Labor. The top occupations according to annual job openings include cashiers, retail salespersons, waiters, and child care workers. These occupations are expected to be the highest in demand. The fastest growing occupations include medical assistants, medical records and health information technicians, personal and home care aides, network systems and data communications analysts respectively. Although these jobs generally pay higher wages, their proportion to overall employment is quite low, compared to the above top occupations.

I. Labor Force Trends

Population, employment, and housing trends are factors that need to be considered when planning for economic development and transportation. The Area is not the self-

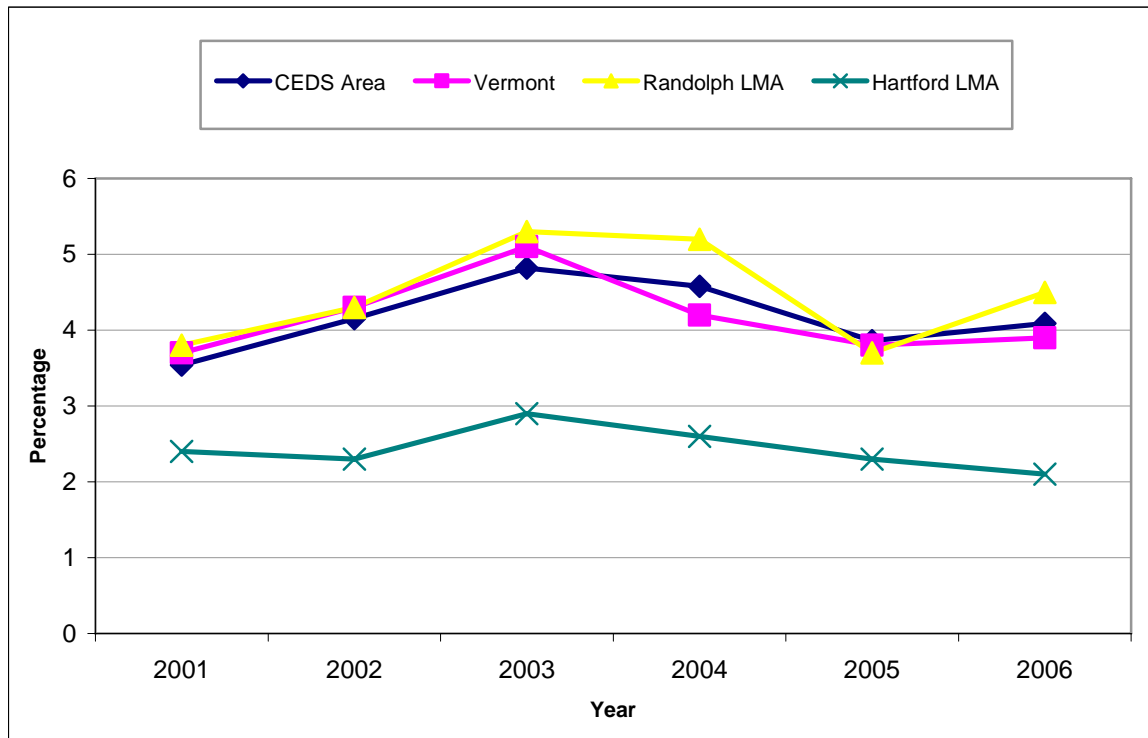
sufficient employment area that it was years ago. The advance of the technological age of computers, telecommunications, and other conveniences have brought the Area's somewhat remote character into the economy of the state and nation. Employment growth in the State of Vermont is expected to slow over our forecasts horizon. It is expected the Area will mirror the state. In 1998 Area total employment equaled 30,109. Employment growth within the Area has averaged 1.5% in recent years but is expected to slow to 1.1% for much of the forecast horizon (See Table 7).

While Area unemployment remains low (See Figure 7), real wages statewide have remained level or declined slightly since the late 1980's. According to the Vermont Economic Progress Council, "changes in the composition of the work forces, reductions in national defense spending and downsizing and restructuring of major corporations have all played a part in reducing real wages in Vermont". While low unemployment rates have their positive attributes, there are negative ones as well. For businesses seeking to expand or relocate to the Area, low unemployment can be regarded as a barrier as it prompts higher wages with which to attract employees.

Table 7: Employment – Forecasts and 2000 Actual

	2000	2001	2002	2003	2004	2005
State of Vermont						
Employment	293,762	298,030	302,696	307,065	311,334	315,692
percent change	1.9%	1.5%	1.6%	1.4%	1.4%	1.4%
CEDS Area						
Employment	31,027	31,366	31,734	32,077	32,412	32,752
percent change	1.4%	1.1%	1.2%	1.1%	1.0%	1.1%
Data Sources: U.S. Census Bureau is the source for the 2000 Actual # Employed. "Economic Outlook: 2000-2004" New England Economic Project (NEEP) and ES 202 data for County and Town growth 1995 to 1999 is the data for the 2000 - 2005 Forecasts.						
Methodology: State forecast is from NEEP. CEDS employment from 1995 to 1999 calculated from ES-202. CEDS forecast based on trend between state and CEDS 1995 to 1999 and NEEP forecast.						

Figure 7: Average Annual Unemployment Rate 2001-2006



Source: Local Area Unemployment Statistics (LAUS) program, produced by the Vermont Department of Labor, Labor Market Information, in cooperation with the U.S. Bureau of Labor Statistics.

As might be expected, women are becoming a greater percentage of the work force. This probably comes as no surprise as the trend of two income earners in a household is typical for Vermont.

At the state and local levels, efforts are underway to address the challenges of creating and maintaining a skilled workforce and to connect that workforce with current employers.

Underemployment

Although the unemployment rate is a widely used measure of economic conditions, it frequently fails to tell the whole story. While unemployment has been extremely low throughout the Area, conditions for Vermonters have not necessarily improved.

The unemployment rate is defined as the percentage of labor force that is jobless and actively seeking work. This provides incomplete information about the labor market. Many workers must settle for part-time employment or have given-up looking for work altogether. According to the Vermont Job Gap Study, the number of individuals that were either discouraged or involuntary part-time total 10,800 for the State of Vermont in 1995. Perhaps the largest problem in relying entirely upon the unemployment rate as a measure of conditions is that it assumes that all is well for those who are employed. In many instances this is false.

Table 8 represents the CEDS Committees' first attempt to quantify underemployment in the region. Economic and Policy Resources, Inc. developed the methodology and prepared this analysis. The index was constructed as the arithmetic average-evenly weighted-of the four subcomponent indexes for each of the region's four counties. The components include unemployment rates, transfer payments and the concentration of lower wages jobs compared to both Vermont and the nation. For example, Windsor County's relative concentration in low wage industries as compared to the US received an index value of 1.07, indicating a higher level of stress than that of the nation. Although the composite index for Windsor and Orange Counties (the majority of the Area) is below the statewide average, the index supports the fact that there is a high concentration of low wage industries within the Area. This is the crux of the Area's underemployment problem.

The CEDS Committee supports the notion that many of the new jobs created within the Area are low paying and are capturing skilled workers whom have been laid-off from skilled manufacturing jobs. This has resulted in the poor utilization of workforce skills, lower wages and more two-income households.

Table 8: Composite Index of Economic Distress/Underemployment

	[A]	[B]	[C]	[D]	[E]
Area Counties (Majority of Area in shaded Counties)	Unemployment Rate Index	Transfer Payments % of Per Capita Personal Income	Relative Concentration in Lower Wage Industries (VT)	Relative Concentration in Lower Wage Industries (US)	Composite Index [1]
	1.0 = State Average	1.0 = State Average	1.0 = State Average	1.0 = State Average	1.0 = State Average
VT	1.00	1.00	1.00	1.00	1.00
Addison	1.05	0.90	1.15	1.13	1.06
Orange	0.80	1.06	1.00	1.04	0.97
Rutland	1.18	1.38	1.04	1.02	1.15
Windsor	0.81	0.95	1.03	1.07	0.96
Notes:					
[1] Mean of [A], [B], [C] and [D]					
[2] An index value greater than 1.0 indicates greater economic stress/underemployment.					
Prepared by: Economic & Policy Resources, Inc., Williston, VT					

Subsidy Reliance

Low wages and salaries have been more severe in rural areas of Vermont than in regional centers. There are several reasons for this: 1) bargaining position of workers with employers is weak; 2) unions have less of a presence in rural areas; and 3) workers in rural areas have lower educational attainment which lessens their ability to gain higher pay. This has caused many working families to work more than one job or collect Temporary Assistance for Needy Families (TANF) subsidies in addition to their wages. In fact, there are 689 families within the Area who collect TANF subsidies. Of these families 177 report wages from a job and 32 report self-employment wages. There are a

total of 209 TANF cases that report income in addition to their subsidy. Thirty percent of TANF recipients within the Area are already working. This percentage of families is consistent with families and earnings statewide during 1999. The majority of these cases are single parent households. It is unfortunate that these working families need to rely upon public assistance to survive. According to the Department of Social Services Area Director, this issue “speaks to the level of wages available in the area and the disparity between the living standard and what’s offered for workers compensation.”

J. Housing Characteristics

Solutions to the affordable housing problem appropriately need to consider the social, cultural, and economic values through which the Area prospers. The Area recognizes that affordable housing serves the public good with benefits for all community members. For some citizens, this is a new way of thinking. Some communities are now asking developers to include some affordable lots along with market rate ones.

Number of Housing Units - According to the U.S. Census reports, there were 43,027 total housing units in the Area in 2000 (See Table 9). In 1990, there were 40,595 units; thus the net increase during the ten-year period was 2,432. The U.S. Census defines a housing unit to include conventional houses, apartments, mobile homes, and rooms for occupancy.

In the late 1980’s, Vermont’s housing boom ended, following a trend of the Northeast. Since the early 1990’s, growth in housing is taking place at a slower rate. Growth in new housing for the period 1990 to 2000 for the Area was 6%, which is less than the rate for the state (9 %). The range in increases for the forty towns in the Area was very wide, extending from -2 % to 25 %. Pittsfield declined over the decade; Vershire experienced the greatest percentage change. Primary factors influencing new housing starts were the relative cost and availability of real estate, evidence of a growing economy, and the comparative ease of access to employment centers.

Table 9: CEDS Area Total Housing Units

Town	1960	1970	1980	1990	2000	Percent change (1960-70)	Percent change (1970-1980)	Percent change (1980-1990)	Percent change (1990-2000)
Andover	119	158	229	301	347	32.77	44.94	31.44	15.28
Baltimore	27	58	78	88	105	114.81	34.48	12.82	19.32
Barnard	302	377	555	607	629	24.83	47.21	9.37	3.62
Bethel	562	633	955	1,075	1,217	12.63	50.87	12.57	13.21
Bradford	218	318	507	570	567	45.87	59.43	12.43	-0.53
Braintree	318	357	486	571	582	12.26	36.13	17.49	1.93
Bridgewater	530	609	823	888	956	14.91	35.14	7.90	7.66
Brookfield	258	300	457	565	602	16.28	52.33	23.63	6.55
Cavendish	481	512	649	785	860	6.44	26.76	20.96	9.55
Chelsea	312	390	510	610	657	25.00	30.77	19.61	7.70
Chester	860	1,014	1,360	1,527	1,611	17.91	34.12	12.28	5.50
Corinth	251	347	512	618	728	38.25	47.55	20.70	17.80
Fairlee	316	344	460	551	575	8.86	33.72	19.78	4.36
Granville	110	99	201	210	218	-10.00	103.03	4.48	3.81
Hancock	123	143	198	201	214	16.26	38.46	1.52	6.47
Hartford	1,973	2,121	3,483	5,026	5,493	7.50	64.21	44.30	9.29
Hartland	505	658	955	1,270	1,382	30.30	45.14	32.98	8.82
Ludlow	980	1,192	1,726	2,677	3,001	21.63	44.80	55.10	12.10
Newbury	612	672	977	1,132	1,153	9.80	45.39	15.86	1.86
Norwich	631	713	1,027	1,382	1,505	13.00	44.04	34.57	8.90
Pittsfield	87	175	298	401	393	101.15	70.29	34.56	-2.00
Plymouth	203	330	495	736	773	62.56	50.00	48.69	5.03
Pomfret	232	301	404	490	544	29.74	34.22	21.29	11.02
Randolph	1,172	1,268	1,669	1,830	1,905	8.19	31.62	9.65	4.10
Reading	218	267	354	394	407	22.48	32.58	11.30	3.30
Rochester	392	460	662	737	768	17.35	43.91	11.33	4.21
Royalton	485	522	975	1,161	1,281	7.63	86.78	19.08	10.34
Sharon	212	214	413	578	663	0.94	92.99	39.95	14.71
Springfield	3,303	3,561	4,076	4,256	4,232	7.81	14.46	4.42	-0.56
Stockbridge	170	207	413	488	528	21.76	99.52	18.16	8.20
Strafford	239	271	412	494	542	13.39	52.03	19.90	9.72
Thetford	433	565	1,085	1,136	1,193	30.48	92.04	4.70	5.02
Topsham	220	294	395	504	582	33.64	34.35	27.59	15.48
Tunbridge	290	362	499	655	679	24.83	37.85	31.26	3.66
Vershire	85	136	275	302	378	60.00	102.21	9.82	25.17
Weathersfield	449	724	1,069	1,249	1,315	61.25	47.65	16.84	5.28
West Fairlee	126	168	249	355	340	33.33	48.21	42.57	-4.23
West Windsor	174	276	487	773	716	58.62	76.45	58.73	-7.37
Windsor	1,394	1,441	1,584	1,647	1,611	3.37	9.92	3.98	-2.19
Woodstock	1,077	1,131	1,548	1,755	1,775	5.01	36.87	13.37	1.14
CEDS Area	20,449	23,688	33,510	40,595	43,027	15.84	41.46	21.14	5.99
Vermont	***	165,068	223,199	271,214	294,382	***	35.22	21.51	8.54

Source: US Census of Population and Housing 1960 - 2000.

Data 2000 Update Compiled by the Two Rivers-Ottawaquechee Regional Commission.

Our forecasts indicate that by 2005, the year-round housing stock within the Area should increase by 896, to 35,494 housing units. The fluctuations are much more pronounced in the vacation and seasonal housing market; with 91 % increases expected in Woodstock and 33% losses likely in Norwich. Decreases in seasonal housing are likely due to their conversion to year-around homes.

Type of Housing and Ownership Characteristics - The 2000 U.S. Census for the Area indicated that 31,021 units or 72% of its total housing stock consisted of single-family homes (See Table 10). This was followed by mobile homes (3,550), or 8% of the total. As might be assumed, the larger communities with defined village centers experienced the greater number and percentage of its housing growth in multiple family housing units. This included Springfield, Hartford, Windsor, Royalton, Bradford, Woodstock, and Randolph.

Table 10: CEDS Area Housing Units by Type – 2000

Town	Single Family Units	% of Single Family	Two Family Units	% of Two Family Units	Multi-family Units	% of Multi-family Units	Mobile Home	% of Mobile Homes
Andover	322	92.0%	12	3.4%	5	1.4%	11	3.1%
Baltimore	91	80.5%	10	8.8%	0	0.0%	12	10.6%
Barnard	555	88.5%	16	2.6%	15	2.4%	39	6.2%
Bethel	693	72.5%	44	4.6%	114	11.9%	103	10.8%
Bradford	885	72.7%	66	5.4%	195	16.0%	71	5.8%
Braintree	401	70.7%	7	1.2%	20	3.5%	139	24.5%
Bridgewater	451	77.5%	22	3.8%	53	9.1%	56	9.6%
Brookfield	506	84.1%	10	1.7%	9	1.5%	74	12.3%
Cavendish	630	73.9%	52	6.1%	65	7.6%	100	11.7%
Chelsea	530	80.7%	37	5.6%	39	5.9%	48	7.3%
Chester	1242	77.1%	75	4.7%	170	10.6%	116	7.2%
Corinth	606	83.2%	7	1.0%	8	1.1%	100	13.7%
Fairlee	461	79.9%	60	10.4%	44	7.6%	12	2.1%
Granville	209	90.9%	4	1.7%	3	1.3%	11	4.8%
Hancock	140	70.7%	22	11.1%	2	1.0%	34	17.2%
Hartford	3293	59.9%	305	5.6%	1,488	27.1%	407	7.4%
Hartland	1051	76.0%	41	3.0%	63	4.6%	215	15.6%
Ludlow	1682	56.0%	190	6.3%	985	32.8%	144	4.8%
Newbury	943	81.8%	29	2.5%	73	6.3%	104	9.0%
Norwich	1301	86.4%	94	6.2%	68	4.5%	36	2.4%
Pittsfield	321	80.5%	40	10.0%	30	7.5%	8	2.0%
Plymouth	637	82.1%	20	2.6%	94	12.1%	23	3.0%
Pomfret	491	90.3%	14	2.6%	23	4.2%	16	2.9%
Randolph	1269	66.6%	116	6.1%	367	19.3%	153	8.0%
Reading	346	85.6%	4	1.0%	8	2.0%	36	8.9%
Rochester	617	80.3%	40	5.2%	66	8.6%	45	5.9%
Royalton	704	55.0%	128	10.0%	268	20.9%	172	13.4%
Sharon	487	73.5%	29	4.4%	16	2.4%	125	18.9%
Springfield	2782	65.7%	299	7.1%	933	22.0%	218	5.2%
Stockbridge	451	85.1%	28	5.3%	11	2.1%	35	6.6%
Strafford	488	90.0%	17	3.1%	4	0.7%	31	5.7%
Thetford	1018	85.3%	36	3.0%	41	3.4%	95	8.0%
Topsham	481	82.6%	4	0.7%	0	0.0%	97	16.7%
Tunbridge	578	85.3%	19	2.8%	2	0.3%	77	11.4%
Vershire	297	78.4%	15	4.0%	24	6.3%	43	11.3%
Weathersfield	971	73.8%	25	1.9%	9	0.7%	310	23.6%
West Fairlee	250	74.0%	22	6.5%	0	0.0%	66	19.5%
West Windsor	587	82.0%	9	1.3%	108	15.1%	12	1.7%
Windsor	945	58.7%	192	11.9%	404	25.1%	70	4.3%
Woodstock	1309	73.7%	170	9.6%	206	11.6%	86	4.8%
CEDS Area	31,021	72.1%	2,330	5.4%	6,033	14.0%	3,550	8.2%
Vermont		69.0%		7.2%		15.8%		7.7%
United States		65.9%		4.3%		22.0%		7.6%

Source: U. S. Census 2000, 1990

Data 2000 Update compiled by the Two Rivers - Ottauquechee Regional Commission, January 2003.

Housing Costs

Rents throughout New Hampshire and Vermont have more than doubled over the last decade. Rents in the Upper Valley area are among the highest in Vermont. According to the 2000 Census Hartford's median gross rent is \$576 which is high as compared to \$553 for the State of Vermont.

Today, housing need includes an entirely new segment of middle-income families. A new generation of starter households, municipal employees, teachers, service workers, and skilled trades people are confronted with limited housing options.

Rents are forecasted to grow at a compound annual growth rate of 2.3% from 2000 to 2005 (See Table 11). For the purpose of our forecasts, the measure of rents is the 40th percentile Fair Market Rent from the Federal Department of Housing and Urban Development (HUD).

Table 11: Rent Forecasts 2005-2010

Median Gross Rent - 2000					
CEDS Area					\$575
Orange County					\$511
Windsor County					\$539
Vermont					\$553
United States					\$602
Data Source: "Median Gross Rent" is from the 2000 Census.					
40th percentile Fair Market Rents for Existing Housing					
Year 2000					
	Efficiency	1 Bed	2 Bed	3 Bed	4 Bed
Orange County	\$374	\$491	\$603	\$797	\$893
Windsor County	\$466	\$526	\$656	\$845	\$1,002
Year 2005					
	Efficiency	1 Bed	2 Bed	3 Bed	4 Bed
Orange County	\$475	\$537	\$625	\$870	\$897
Windsor County	\$500	\$560	\$659	\$897	\$1,067
Note: Annual compound rate of increase for each county estimated to be 2.3%.					
Data Sources: "Fair Market Rents" from U.S. Department of Housing and Urban Development FY96 and FY98 Property Transfer Tax Data, Vermont Department of Taxes, Table 11.					
Methodology: Fair Market Rents were increased by R1 price inflation from 1998 to 2000 in each county. Growth rate forecasted to be identical to R1 growth rate in Table 11.					
Data 2000 Update compiled by the Two Rivers - Ottauquechee Regional Commission, January 2003.					

Currently, the average price of a house on less than six acres of land (R1) in the Area is just under \$115,000. The average price of a house on more than six acres (R2) is significantly higher at just over \$205,000 (See Table 12). Based on past trends, it is expected that housing prices on R2 homes will rise at more than twice the rate of R1 homes. By 2005, the price of an R1 house will be nearly \$129,000 and the price of an R2 house will be just over \$270,000.

General Trends

Some of the primary concerns regarding housing in the Area include the distribution, adequacy, desirability and affordability of the area's housing stock. The rise in the cost of housing has outstripped the ability of some people to afford it, resulting in an ever-increasing need for housing assistance. At the same time, the level of traditional state/federal low-income housing assistance is diminishing and an aging population is generating a need for more elderly and handicapped-accessible housing. Also, the time period for many of these subsidies are ready to expire.

The Area as a whole, like most areas in Vermont, has enjoyed the benefits of an economic boom from 1983 until early 1990. During this period, the housing sector responded to the need for housing units. Total housing stock increased. The second home became a larger component of the housing market. Until recently, housing values throughout most of the Area were increasing at rates of 10 % to 15 % annually.

In January 1990, at a conference of the Federal Reserve Bank in Boston, Arthur Woolf, State Economist, offered an explanation of the cause of the housing crisis in Vermont. Woolf attributed the extreme rate of housing appreciation to several factors which stem from demographic, economic, and public policy developments within the last decade. Each of these factors is relevant to the Area.

Outlined below are the key factors affecting housing availability and cost in this Area:

1. Average prices of houses have risen at a faster rate than consumer prices in general and personal income, thus creating an "affordability gap" in housing.
2. Land, as a commodity, has become a favorable investment. Land values, until recently, have increased at a rate much faster than other components of housing, including labor and materials for home construction.
3. New home purchasers' demand for increased floor area and other quality features contributed to increase in sale price.
4. Changing demographics of the Area affected housing. The baby boom generation of Vermonters reached an age and proportion of the population mix where the purchase of a home became the primary need, thus affecting housing price. Increases in single person households and the elderly remaining longer in their own houses limited available housing supply, thus affecting price and availability.

Table 12: Projected Cost of Housing in CEDS Area

	2000	2001	2002	2003	2004	2005
R1 Price in CEDS Area	\$114,857	\$117,748 2.5%	\$120,805 2.6%	\$123,700 2.4%	\$126,319 2.1%	\$128,993 2.1%
R2 Price in CEDS Area	\$205,035	\$217,486 6.1%	\$231,112 6.3%	\$244,477 5.8%	\$256,967 5.1%	\$270,094 5.1%

Data Sources: Vermont Department of Taxes (<http://www.state.vt.us/tax/ftpframe.htm>), New England Economic Project.
Methodology: NEEP statewide housing price forecast adjusted by historical ratio of CEDS price increase to statewide average for R1 and R2 between 1995 and 1999.

- Revision to tax codes (Tax Reform Act of 1986) made the second home market stronger. The elimination of other tax shelters for upper income earners created an incentive for second home purchases placing increased demand on housing in the Area. Overall construction continued toward lucrative vacation units and away from year round units.

During the 1980’s, the federal government eliminated many of its housing assistance programs. This, in combination with the failure of the private sector to deliver housing to a wider range of income groups, produced an affordability gap of unprecedented proportions.

One economic consequence of the lack of housing availability has been the reorganization of the labor force of the Area. New home construction and purchases have occurred in significant numbers in areas away from major employment centers. While housing numbers have grown only slightly in the tri-town area (Hanover, Lebanon, and Hartford) and Bradford, Randolph, and Woodstock, employment centers of the Area, most major changes in housing construction and purchases have occurred in municipalities bordering these centers. A principal reason is that land and homes are more favorably priced compared to housing in employment centers. The cost of land and housing is somewhat a function of access and travel time to key service and retail centers.

Another consequence of the emigration of certain income groups to the smaller and more distant towns had been the distribution of the impact of growth to these communities. The increase in school age children has been the biggest factor. This increase has placed a demand on educational facilities and has required taxpayers to pay additional taxes to cover the costs of larger schools.

Often, these rural communities have a larger residential population at or below median income levels. Thus, the capability of these communities to handle the impacts associated with new growth has been strained. Accordingly, voters are more inclined to support new commercial and vacation home developments because they perceive them as contributing to the reduction in the overall tax burden without the associated costs of services. Several towns in the Area have been assuming a disproportionate share of these impacts.

The trends associated with housing demand and growth will continue. The issues of fiscal impact will not disappear, regardless of whether housing is characterized as affordable or not. The choice facing town governments is whether they should take affirmative steps to develop or participate in programs which benefit Vermonters who are at risk in terms of housing, and who offer valuable contributions to the ongoing life and character of the Area.

Lastly, it is a generally applied standard that an individual or household should not pay in excess of 30 % of his or her total income for housing and housing-related expenses. If a resident is spending in excess of 30 % of his income on housing (“overspending”), housing costs are greater than they should be. This percentage is universally employed in housing data analysis and in financial and banking transactions, such as determining mortgage eligibility requirements. The Area’s elderly and young families experience the greatest impacts of high housing costs.

The following factors contribute to this affordability gap:

- High property taxes — In towns where property taxes exceed \$2 per \$100 value, it is difficult for land trusts and development organizations to create multi-family housing projects and almost impossible for low- to moderate-income homebuyers to purchase homes priced as low as \$75,000.
- Rising utility and child care costs
- High construction costs compared to other parts of the country
- Market demand for existing and new units to be used as second homes
- Changing demographics that created a greater need for single person housing, and more initial homebuyers
- The elimination of federally assisted housing programs — The lack of new Section 8 units (subsidized at Fair Market Rents) hinders developers who are trying to service lower income levels. Section 8 units typically help a developer to carry non-Section 8 units at below-market rents.
- Lack of steady, well paying jobs — Many jobs in the Area are seasonal and therefore not regarded as steady employment by banks. In addition, many service industry jobs do not provide incomes sufficient for homeownership.

Planning Implications

Housing availability has reached critical levels. It restricts employment growth, evident by the region’s low vacancy and unemployment rates, and limits future housing options for those who currently live in the region. In fact, according to a recent study by Applied Economic Research, one-third of the estimated existing housing demand is simply to provide enough housing units to normalize vacancy and unemployment rates for the region. Vacant housing units were filled to accommodate growth during the past decade. Now that these vacancy rates are at unusually low levels, job growth in the Region depends upon increased construction of new housing units. Housing production levels similar to the past decade will likely mean significantly slower economic growth, about half of the region’s potential. Another possibility is that residential growth will occur

further from employment centers in rural areas, which would have significant transportation and taxing implications for the region's communities.

K. Environmental Profile

Agricultural Land - The Area is fortunate to have some excellent soils in or available for agricultural uses. These soils occur most frequently in the low-lying areas of the Connecticut and White River Valleys. The U.S. Natural Resources Conservation Service (formerly the Soil Conservation Service) has mapped most of the Area's agricultural soils and have ranked their potential for agriculture. In Vermont, these agricultural soils have been classified as soils of statewide significance. These soil types exhibit excellent or good potential for growing food or forage crops, are sufficiently well-drained to allow sowing and harvesting with mechanized equipment, are well supplied with plant nutrients or highly responsive to the use of fertilizer. Average slope of the land ranges from slight to moderate.

Historic and Cultural Resources - According to the Vermont Department of Travel and Tourism, winter tourism brings in approximately 30% of the state's tourism activity, while antique shopping, theater and art exhibits, festivals, historic site visitations, foliage viewing and outdoor recreation make up 65 to 70% of annual tourist activity. Cultural heritage in particular is drawing substantial attention. Cultural heritage resources include the scenic qualities inherent in village centers and hamlets, many of which have maintained the look and feel of 19th century Vermont. Historic resources and town centers that offer museums, shopping, and eating establishments may attract bicycle and pedestrian traffic. Towns in the Area should determine to what extent they want town centers to be destinations for tourism and whether or not the facilities are available to accommodate additional traffic safely and effectively.

Private Lands and Recreation - Many of the outdoor recreational resources in the Area rely on the traditional willingness of landowners to allow access to private land. According to the Vermont Outdoor Recreation Plan, 2005-2009, private lands comprise 85% of lands in Vermont. Decisions by private landowners ultimately affect the availability of recreational opportunities. As the population increases in the state, so does the pressure on private land. With increased recreational use of private land, more landowners experience vandalism, littering, and disregard for private property. Such negative impacts result in the posting of land and closing of trails. For private lands to continue to be used for recreational opportunities, landowners must feel secure in the protection of their traditional rights and land uses, and incentives for landowners to keep their land open are needed.

Public Lands, Trails and Recreation - The Area is host to sections of the Appalachian Trail and the Long Trail, as well as a large section of the Green Mountain National Forest, several State Parks, and several wildlife management areas managed by the Vermont Department of Fish and Wildlife. The Quechee Gorge is a popular scenic overlook and wilderness area as well as the North Hartland Lake, operated by the US Army Corps of Engineers. As pressure on private lands increase and as more private land

is posted, the need for publicly owned land for recreation is critical. Such recreation resources should include areas for multiple uses, so as to include activities such as mountain biking and snowmobiling.

Public Access To Water Recreation - The Area's rivers and lakes offer opportunities for swimming, fishing, and boating, all of which require public access areas for parking or boat launching. Scenic waterfalls, cascades, and gorges are also destinations of tourists and recreationists. There is a need for access areas to water resources in the Area. In addition, there is a need for management of public access resources in a manner that will make them safe and attractive for human use as well as of a quality that will sustain fish and wildlife.

Scenic Resources

The landscape of the Area is an economic asset. It represents some of the finest examples of townscapes and rural scenic character in the world. They are a tangible economic value. Tourists spend money in the Area because they are attracted to our scenery and the values and quality of rural life. Tourism is Vermont's second largest industry.

In Vermont, the economic value of scenic resources to tourism cannot be lightly brushed aside. The passage of Vermont's anti-billboard legislation in 1968 marks a significant commitment to the conservation of our visual resources. This legislation was strongly endorsed by the Vermont Hotel and Motel Association which recognized the direct economic relationship of land conservation to tourism development. More recently, the Governor's Commission on the Economic Future of Vermont in its report stated its position succinctly as being, "we consider Vermont's environment to be the goose that lays golden eggs." All municipal plans prepared and adopted by member towns in the Area consistently stress the goal of coordinating economic development with maintenance of rural character.

L. Infrastructure

The provision of community facilities and services, and the availability of public utilities, are important elements in protecting and promoting the health, safety and general welfare of residents in the Area. Being in a more rural area, the public facilities and services are not quite as extensive as they might be in more urban areas. Also, the package of services and facilities available varies from town to town. Due to economies of scale, many services are offered on a sub-area basis, involving towns inside and outside our planning Area.

Infrastructure consists of the facilities and services that are necessary to support economic resources. A healthy economy makes efficient use of available infrastructure and services, encourages and maintains diversity of economic sectors, and supports the environmental and social health of the community.

Sewer Supply Systems

The proper treatment of septic waste is essential to a safe, healthy environment. Today, we do a better job treating waste than ever before. Treatment plants built in the 60's and 70's have reduced the toxicity of effluent reaching our streams. Improved on-site septic system technology, environmental regulation, and monitoring have had a beneficial impact on our environment. See Table 13 for public wastewater treatment systems.

There is, however, much room for improvement. The volume of waste treatment by-products (septic and sludge) grows with population. Disposal of these substances poses its own unique set of problems and issues. Combined sewer and storm water systems are still releasing raw sewage to receiving waters during heavy rains. In addition, there remain, in spite of new laws, many unregulated or "grandfathered" on-site systems polluting our environment.

Economic development both supports and relies upon community planning efforts. Planning for the use or expansion of existing infrastructure should be carefully implemented to lessen adverse effects to the existing economy and environment. Retrofitting existing infrastructure is often more cost effective than developing new infrastructure to accommodate growth. Careful planning for the use and expansion of infrastructure is necessary to prevent excessive cost burdens to local communities and to avoid adverse consequences to downtown areas and established settlement patterns that can be caused by poorly planned growth.

Water Supply Systems

It does not appear that water supply is a constraint to the Area's development potential. The larger concern is protecting existing water supplies. See Table 14 for a listing of public water supply systems

Table 13: Public Wastewater Treatment Systems in the Area

Facility	Current Design Capacity in M.G.D.	Gallons per Day			Date Calculated
		Annual Average Flow	Committed Flow	URHC	
Bethel	0.1150	65,892	965	48,143	2/23/2006
Bradford	0.1370	70,750	0	66,250	2/23/2006
Bridgewater	0.0430	9,975	900	32,125	2/23/2006
Cavendish	0.1500	75,392	35,839	38,769	2/23/2006
Chelsea	0.0550	28,908	1,480	24,612	2/23/2006
Chester	0.1750	136,083	28,902	10,015	2/23/2006
Hartford - Quechee	0.3000	202,750	85,267	11,983	2/23/2006
Hartford - WRJ	1.2150	1,027,667	136,859	50,474	2/23/2006
Ludlow	1.0500	387,583	126,405	536,012	2/23/2006
Randolph	0.4000	226,500	55,841	117,659	2/23/2006
Royalton	0.0700	44,273	1,935	23,793	2/23/2006
Springfield	2.2000	1,366,333	38,752	794,915	2/23/2006
Windsor - Weston Heights	0.0150	8,083	0	6,917	2/23/2006
Windsor Main	1.1300	438,167	330,130	361,703	2/23/2006
Woodstock	0.4500	238,000	23,719	188,281	2/23/2006
Woodstock - South	0.0500	11,033	2,700	36,267	2/23/2006
Woodstock - Taftsville	0.0100	2,925	0	7,075	2/23/2006

Agency of Natural Resources - Wastewater Management Division 2005

Table 14: Public Water Supply Systems

Water System Name	Date of Survey	Number of Service Connections	Average Day Demand (gpd)	Maximum Day Demand (gpd)
Bethel Water Dept	8/6/1998	346	250,000	500,000
Bradford Village Water System	11/4/2003	551	250,000	450,000
Cavendish Town Water System	7/26/2000	388	70,417	125,238
Chelsea Water System	7/18/2001	140	26,254	67,500
Chester Water Dept	11/23/2004	568	148,518	128
Fairlee Town Water	1/27/2004	284	115,500	150,000
Hartford Water Dept	8/27/2003	2,600	727,413	1,454,826
Ludlow Village Water Dept	8/14/2001	1,300	335,600	343,300
Newbury Village Inc	7/16/1998	180	44,000	60,000
Quechee Central	12/15/2004	720	153,280	181,712
Randolph Center Water System	3/2/2004	66	54,762	92,441
Randolph Village	3/19/2004	1,000	227,000	325,000
Rochester Water System	9/25/2003	180	32,195	64,390
Springfield Water Dept	10/7/2004	500	800,000	1,200,000
Wells River Water System	7/16/1998	130	35,000	38,000
Thetford Water Coop Inc	8/25/2000	40	5,500	7,050
East Thetford Water Co	11/23/2004	37	3,695	5,105
Wells River Water System	7/16/1998	130	35,000	38,000
Windsor Water Department	9/19/2000	996	621,000	773,000
Woodstock Aqueduct Co	9/24/2003	672	351,220	434,563

Source: Agency of Natural Resources - Water Supply Division, 2005

Health Care Services

There are many health care facilities scattered around the Region, offering a broad range of services from maternity and pediatrics, to walk-in clinical services. Some towns within the Region have their own clinics, such as the Chelsea Health Center in Chelsea, the Ottauquechee Health Center in Woodstock, the Valley Health Center in East Corinth, the Rochester Health Center in Rochester, the South Royalton Health Center in South Royalton, the Ellsworth Clinic in Chester, and the Gifford Family Health Center in Bethel. There is a VA hospital in White River Junction, a Hospital in Springfield and Mt. Ascutney Hospital in Windsor.

Although located outside the Area, the Dartmouth-Hitchcock Medical Center of Lebanon, New Hampshire provides comprehensive health care to many of the Area's residents. The Medical Center is affiliated with Dartmouth Medical School. It offers 429 beds, and complete health care including a Children's Hospital, a Community Health Center, Psychiatric Care Associates, and the Norris Cotton Cancer Center.

Educational Facilities

Sound planning for educational facilities and programs is necessary to support the social, economic, and cultural welfare of a community. A quality education provides the

foundation for a child's productive future, enabling the child to make positive contributions to business, civic affairs, and family life.

Access to a system of quality education is required to achieve social and economic goals. Sustained regional and economic development will be impossible in the Region unless financial and geographic access to education is affordable and geographically convenient. Without a well-educated work force, the Region, like the rest of Vermont, will be unable to compete with other states for well-paying jobs.

Personal income levels increase with gains in educational attainment. The earning gap between college graduates and high school graduates remains significant, with college graduates earning 70% more. Poverty decreases with educational attainment.

The Area's educational facilities include: Vermont Technical College in Randolph, Community College of Vermont (CCV) in Springfield and White River, The Putnam School of Nursing at Vermont Technical College (VTC), Vermont Law School in South Royalton, and four vocational technical centers in Randolph, Bradford, Hartford and Springfield. The Springfield Community College is being expanded and enhanced under a pilot program offered by the State of Vermont. The Vermont Interactive TV Network brings secondary, post secondary, graduate and doctoral educational opportunities to Randolph and Springfield.

Telephone and Telecommunications

The current distribution and quality of utilities and facilities is an indication of the Area's ability to absorb and effectively locate future growth. White River Junction, the Town of Hartford's economic center, is home to a major fiber optic line that is currently underutilized. Furthermore, VTel services 80% of their area with DSL and ISDN. This has allowed telecommunications dependant businesses to operate in Chester and Springfield.

M. Transportation & Commuting Patterns

Travel Time To Work - The 2000 Census found a great deal of variation among town average commuting times (See Table 15).

Most Area commuters are destined to the Hanover-Lebanon-Hartford employment center, the Springfield-Windsor-Claremont employment center as well as the Barre -Montpelier and Rutland areas.

Table 15: CEDS Area Commuting Patterns

Town	Median Commuting Time in Minutes			Mean Travel Time to Work	% Commuted Under 9 Minutes		% Commuted Over 45 Minutes		% Worked at Home		Workers 16 years old and over
	1980	1990	Chg '80-'90	2000	1980	1990	1980	1990	1990	2000	2000
Andover	24	16	-8	24.2	19%	21%	3%	10%	4%	14%	257
Baltimore	19	19	0	18.0	23%	5%	11%	6%	0%	3%	161
Barnard	22	22	0	25.1	11%	13%	8%	13%	9%	11%	497
Bethel	21	16	-5	23.5	15%	16%	10%	8%	16%	7%	956
Bradford	9	16	7	23.6	50%	33%	8%	8%	4%	5%	1,251
Braintree	15	18	3	25.5	18%	21%	6%	9%	7%	2%	614
Bridgewater	17	18	1	21.2	29%	18%	10%	6%	8%	6%	501
Brookfield	28	23	-5	26.4	13%	6%	15%	11%	10%	8%	652
Cavendish	20	20	0	26.1	19%	20%	15%	11%	5%	6%	691
Chelsea	10	25	15	26.2	40%	28%	13%	21%	7%	4%	597
Chester	14	16	2	21.4	31%	33%	18%	4%	7%	6%	1,548
Corinth	29	30	1	30.9	13%	9%	23%	24%	16%	7%	656
Fairlee	19	20	1	21.7	29%	22%	14%	6%	8%	11%	569
Granville	20	19	-1	22.4	34%	28%	11%	17%	11%	12%	184
Hancock	17	13	-4	20.4	40%	28%	10%	18%	1%	12%	161
Hartford	14	13	-1	19.3	28%	27%	4%	2%	1%	3%	5,327
Hartland	18	20	2	21.0	13%	15%	5%	3%	5%	7%	1,777
Ludlow	17	12	-5	17.6	33%	42%	15%	5%	4%	4%	1,217
Newbury	13	15	2	25.3	37%	27%	16%	24%	2%	8%	936
Norwich	15	15	0	19.7	26%	24%	2%	4%	10%	10%	1,747
Pittsfield	17	18	1	21.2	34%	29%	6%	11%	12%	9%	238
Plymouth	24	18	-6	22.5	9%	32%	14%	9%	7%	5%	265
Pomfret	29	22	-7	21.8	5%	13%	15%	7%	10%	8%	539
Randolph	11	11	0	21.7	44%	42%	4%	8%	6%	6%	2,487
Reading	28	23	-5	33.5	16%	19%	10%	9%	6%	9%	370
Rochester	14	14	0	22.8	31%	37%	9%	16%	7%	9%	622
Royalton	20	25	5	25.9	20%	22%	9%	11%	9%	9%	1,311
Sharon	28	24	-4	25.8	15%	11%	9%	8%	2%	7%	775
Springfield	12	10	-2	17.9	34%	49%	2%	5%	5%	4%	4,389
Stockbridge	21	22	1	28.7	28%	20%	7%	14%	5%	3%	355
Strafford	32	31	-1	28.3	22%	14%	12%	12%	11%	11%	549
Thetford	24	22	-2	24.0	13%	14%	6%	3%	6%	10%	1,440
Topsham	20	30	10	31.4	7%	12%	24%	26%	7%	6%	543
Tunbridge	33	30	-3	26.9	13%	13%	32%	20%	7%	4%	675
Vershire	25	32	7	30.6	27%	16%	26%	24%	15%	8%	288
Weathersfield	20	13	-7	23.4	14%	22%	4%	0%	7%	4%	1,380
West Fairlee	28	31	3	29.8	4%	10%	11%	9%	9%	10%	368
West Windsor	20	24	4	26.1	23%	13%	2%	7%	9%	7%	582
Windsor	17	19	2	21.4	15%	31%	3%	3%	1%	3%	1,665
Woodstock	11	13	2	20.0	45%	38%	4%	4%	14%	10%	1,652
CEDS Area:	20	20	0	23.6	24%	22%	11%	10%	7%	6%	40,792

Data Source: U.S. Census 2000, 1990, 1980.
 Note: Median and detailed travel times were not yet available at the time
 Data 2000 Update Compiled by the Two Rivers-Ottawaquechee Regional Commission.

N. Economic Planning

The quality of life that residents of the Area enjoy would not exist without a strong and diverse economy. The survival of such an economy depends upon maintaining existing economic resources and developing new economic resources that increase the potential for greater income and diversity in the Area. The analysis of the economic sectors together with input from the CEDS Committee and other Area stakeholders has helped to identify economic development strategies. It is clear that economic growth is outpacing some of the basic elements that are needed to sustain such growth. These primarily include housing and labor. The CEDS Committee has evaluated the background studies of this report and has given serious consideration to the issues and concerns of their constituency in order to develop a list of potentials and constraints to the Area's economic development.

SECTION IV. POTENTIALS AND CONSTRAINTS TO ECONOMIC DEVELOPMENT

The economic development needs and capacities of towns within the Area vary from one town to the next. The following sections discuss some of the principal economic development resources and the major development constraints confronted by the Area.

A. Principal Resources for Economic Growth

Natural Resources

Land- The Area has the advantage of a rural landscape with many large tracts of agricultural land, while still close to several major metropolitan areas: Montreal, New York City, Boston. The White and Green Mountains offer plentiful recreation opportunities that are only minutes away.

Geographic Location- The Area is located primarily in the rural countryside. Residents enjoy many scenic resources. These resources, together with proximity to Canada and other large urban areas, make the area attractive to business and industry.

Water- A plentiful supply of clean water within the Area is a considerable asset. There are also many recreational opportunities on the numerous lakes, rivers and ponds in the area which offer boating, swimming and fishing recreation. These include the Connecticut, Ottauquechee, Black, and White Rivers and many small lakes and ponds.

Human Resources

The CEDS Committee has identified the following agencies as key agencies in the effort to enhance the development of the Area:

Regional Planning Commissions (RPC) - Organized under the Vermont Planning and Development Act, these entities promote coordinated development through the provision of technical planning assistance, and through the preparation of comprehensive plans and studies. Two Regional Planning Commissions are located within the Region; they are the Two Rivers-Ottawquechee RPC; and the Southern Windsor County RPC.

Regional Economic Development Corporations - Facilitate economic prosperity consistent with the needs of their member communities by providing: Small business counseling including business plan assistance for start-up or expansions; Site selection assistance for businesses new to the area; Assistance with permitting from regulatory agencies; and Small business loans for start-ups, expansions or relocations to our region. Green Mountain Economic Development Corporation (GMEDC) and Springfield Regional Development Corporation (SRDC) serve the towns within the Area.

George D. Aiken Resource Conservation & Development Council - Aids communities in achieving sustainable development while caring for and appreciating their natural environment; to ensure economic opportunity, enriched communities and better lives.

Workforce Investment Boards (WIB) - At the state and local levels, WIBs are addressing the challenges of creating and maintaining a skilled workforce and to connect that workforce with current employers. At the state level, the Human Resources Investment Council is sponsoring two programs that address workforce issues: the School-to-Work program and regional Workforce Investment Boards. Both of these programs are taking shape in communities in the Area. Workforce Investment Boards will “oversee the ongoing collaboration and long-range planning of workforce education and training programs and services in their regions” (1996 Vermont Economic Progress Council Report). There are four Investment Boards within the Area; they include Randolph, Upper Valley, Rutland County and the Connecticut River Valley.

The *Springfield Regional Development Corporation (SRDC)*, the Technical Center, and area business and educational leaders have supported the idea of starting a Workforce Investment Board in the Springfield area.

The *Vermont State Housing Authority (VSHA)* - was created by the Legislature in 1968 to improve housing opportunities for families of low and moderate incomes. As a non-profit organization, the VSHA manages rental housing, provides rental subsidies, and works toward rehabilitation and development of affordable housing. It manages a variety of programs, many of which involve housing in the Area.

The *Vermont Housing Finance Agency (VHFA)* - organized in 1974 to address the shortage of mortgage money available from conventional lending sources, has served to assist low and moderate income Vermonters with housing finance needs. As of 1994, the VHFA has provided home ownership assistance to over 17,000 Vermonters to finance home purchases or to rehabilitate affordable rental housing. Most of the VHFA’s programs are conducted in cooperation with Vermont’s mortgage lending institutions. Use of VHFA programs has been very consistent over the past five years. This trend is expected to continue, given that no dramatic shifts in income or residential real estate markets are projected.

Other important resources include:

Twin Pines Housing Trust

Rockingham Community Land Trust

Upper Valley Land Trust

Regional Marketing Programs

Adult Technical Education

Vermont’s regional technical centers provide adult services and training. They are also available to companies for employee training and retaining. There is a Hartford office located in White River Junction. These programs must be enhanced and utilized to increase the competitiveness of the Area’s workforce.

Downtown Revitalization Incentives

In conjunction with efforts to utilize vacant commercial and industrial facilities, economic development organizations and chambers of commerce in the towns of Hartford, Randolph, Springfield, Woodstock and Windsor are focusing on the revitalization of their downtown areas. With the decline of the machine tools industry and the corresponding major loss of jobs, these towns also faced the closing of area businesses that serviced employees of the industry. In addition, increased development of shopping centers in West Lebanon and Claremont, New Hampshire has drawn some business from the area. The towns of Ludlow and Cavendish are also making efforts to revitalize downtown areas and attract businesses that will serve both residents and tourists. State initiatives are a great asset to revitalizing the Area's Downtowns.

Infrastructure

Industrial Buildings and Parks

The decline in the machine tools industry in Springfield and the closing of the Goodyear plant in Windsor left a vacuum of economic activity that economic development groups in the Area are working to fill. The former Goodyear facility is being managed by the Connecticut River Development Corporation as space for new businesses and small industries. The Springfield Regional Development Corporation (SRDC) and local development organizations in Springfield are also focusing their development activities on vacant industrial and commercial buildings in the village area. The Precision Valley Development Corporation is managing the former Gear Shaper plant in Springfield as an incubator space. SRDC has recently purchased the Jones and Lamson (J&L) Building #2 and is working to acquire J&L #1, a large former machine tools manufacturing facility in Springfield.

The reuse of existing facilities creates less of a burden on municipal services such as water and sewer because these facilities have the ability to utilize existing infrastructure or are in locations where infrastructure may be easily expanded. In addition, focusing economic development efforts in vacant industrial buildings or in downtown areas can allow for the preservation of open land and the maintenance of the rural landscape.

Several industrial parks are located in the Area. These include the North Springfield and Windsor industrial parks and Dean Brown Industrial Park in Ludlow and parks in Bradford, Randolph, Wells River, Sharon and White River. Most of these have been filled or are close to capacity. While industrial parks do not generally fit into traditional Vermont land use patterns, they may attract businesses to the Area that may not be appropriate for downtown locations.

Regional Planning Commissions within the Area have compiled a commercial and industrial site inventory for the forty towns. This inventory includes all existing commercial and industrial space over 2000 square feet and all significant land parcels that appear to be appropriate for commercial or industrial use. This project is designed to enhance the capabilities of all concerned with economic development within the Area.

Transportation

Rail Service - There are two rail lines operating within the Area. They include: the New England Central Railroad, from Massachusetts to Canada; and the Green Mountain Railroad, from Bellows Falls to Rutland. The opening of the Wells River to White River Junction rail line has opened many possibilities for economic development. Rail companies need new offload sites, additional customers and connectivity with other regions. There is tourism potential here as well.

Interstate Highway - A major Area resource is the proximity of the interstate highway system. Interstates 91 and 89 intersect in White River Junction.

Airports - There are two airports within the Area and several neighboring facilities located outside the area, all of which serve the Area's population. Within the Area are the Hartness State Airport in Springfield and the Post Mills Airfield in Thetford. Nearby are the Rutland State Airport, the Barre-Montpelier Airport and the Lebanon Municipal Airport. Regular shuttle flights to nearby metropolitan centers keep the Area assessable and enhance its overall attractiveness.

Communications

White River Junction is home to a major telecommunications portal which is currently underutilized. Increased usage of this fiber optic line would have a positive impact on the number and quality of jobs within the Area. Verizon and Independent Bell Systems in the Springfield region serve the southern portion of the Area. TDS Telecom serves Ludlow.

Cultural Resources

The Area cultural resources are primarily located around the Upper Valley. Dartmouth College and the Dartmouth-Hitchcock Medical Center are located just outside of the Area but have contributed greatly to the cultural diversity and uniqueness of the Area. The Montshire Museum in Norwich, American Precision Museum in Windsor, the Miller Art Center in Springfield, Chandler Music Hall in Randolph, the Hood Museum of Art in Hanover, NH the Hopkins Center for Performing Arts together provide a diverse assemblage of activities. Furthermore, the Dartmouth Library is a regional attraction that offers a broad range of resources.

B. Principal Constraints to Economic Growth

Cost of Electricity

The costs of energy are high regionally. This is due to the demands of the climate as well as an electric rate that is high in comparison to the nation. Some logging operations go as far as shipping product to Canada for the electricity intensive kiln drying process. This discourages "spin-off" business-as well as others-causing leakages in the regional economy.

In addition to the high cost of electricity that plagues the northeast, the Area has the added constraint of a lack of natural gas. Only one region in the State is served by natural gas, northwest Vermont. Several proposals have been made to bring in new pipelines to serve the balance of the state. One proposal would have brought this valuable resource to the Area, but this proposal has now been shelved.

Limited Public Transportation

Frequent public transportation is limited outside the Upper Valley population center. This makes it difficult for those that are unable to commute via passenger car (elderly, disabled, low income and the young) to reach employment from surrounding towns. Transit providers (Stagecoach, Advance Transit and Town and Village Bus) have made tremendous progress in accessing much of this demand, however there is still much work to be done before these stranded groups of our population are mobile.

Cost and Availability of Housing

Housing costs and its availability to moderate and low-income families is not only a major obstacle for those residents currently dealing with the issue, it also has a large influence on an industry's decision whether or not to relocate or expand in the Area.

Workforce Availability and Skills

Due to the nature of economic growth, many of the jobs that are available are low skilled. These jobs pay lower wages and underutilize a workforce that have skills better suited for manufacturing jobs that are no longer available. A major challenge is to prepare workers with the skills needed to afford them higher paying jobs. This is particularly true for the growing number of technology related businesses in the Area. Technology changes are happening so rapidly, it is difficult for the workforce to keep pace with the necessary skills. Likewise, the Area is experiencing a "graying" of the workforce as many of those with strong technical skills retire. This is particularly true in the Lower Connecticut River Valley, which has identified in excess of 400 positions in the skilled machinist and metal working categories that will be available in the next 5-7 years as that workforce retires. Skill gaps are a problem throughout the Area.

The workforce of the White River and Lebanon area is fully employed. This poses a problem when manufacturers contemplate moving into the area and must determine whether there will be an adequate workforce to suit their needs. Still some areas have unemployment rates that are much higher, near the state and national averages.

Limited Inventory of Land and Buildings for New Employers

The Area has industrial parks and buildings available for new employers but this inventory is dwindling and/or presents major challenges to redevelopment. Several of the underutilized industrial/commercial buildings are Brownfields and/or have high costs to redevelop or rehabilitate. Most of the old mill buildings are much larger than a typical company is seeking and therefore requires costly subdivision. Most of the companies looking to expand are seeking quality, existing space for lease. This is an impediment to keeping the business we have as well as attracting new ones. In addition, most of the

industrial parks have only a few, smaller size lots remaining. The cost of land for development and the cost to develop them are high.

Transportation Infrastructure

The State of Vermont continues to grapple with truck transportation issues statewide. The lack of a fully developed east-west highway route has put the burden of large truck traffic on many secondary highways which impact this Area. This coupled with the condition of many bridges and roads in the Area is an impediment to more development. Although the Area has rail, much of the rail infrastructure needs costly improvements to make it fully accessible to freight and passenger service. Therefore, developing alternative modes of transportation is a challenge throughout the Area.

Although the Area is served by two airports, and neighboring airports, regular commercial air service is limited. Commercial service from Lebanon and Rutland airports, adjacent to the Area, is not reliable and often limited by weather. This is an impediment to keeping and attracting new business dependant on air transport for customers and personnel. The global nature of business requires regular access to major domestic and international markets. The lack of a good commercial airport has been a detriment. The one international airport in Vermont is in Chittenden County which continually outpaces the rest of the state in per capita income growth and new business development.

C. Evaluation of Potentials & Constraints

It is the goal of the CEDS Committee to make connections between the Area's opportunities and assets (potentials) to address the threats and weaknesses (constraints) that confront economic development when developing projects.

For example, through the Committee's analysis it was determined that skilled labor is essential to maintain a healthy economy and facilitate future business growth. Many maintain that this is the largest factor in business relocation decisions. However, a skilled workforce requires more than training. It also requires diverse job opportunities. In order to address this issue the Committee matched our education facilities and their experience, with our creative entrepreneurs to identify a well suited economic development option for mitigating this issue. The resulting project was a business incubator in Randolph coupled with the Vermont Technical College.

This same type of analysis was used to determine many of the projects that address the goals and objectives of the Area. The following section describes the vision, goals and objectives of the Committee.

SECTION V. VISION

The Area recognizes that it has a number of unique characteristics that provide the opportunity for a high quality of life. Like other parts of Vermont, it is blessed with a display of mountains, lakes, open fields, and villages. It has a small number of people in rural settings, a clean environment, and access to a variety of natural resource based activities. The Area's residents have ready access to their natural environment. Yet they also have good access to culture, technology and transportation.

Many residents fortunate enough to take advantage of this quality of life are committed to extending the same opportunities to others seeking to live in the Area. It is the Committee's overall objective to help foster a healthy business climate for the Area, characterized by cooperation between the public and private sectors that will nurture a diverse and sustainable economy. In order to continue fostering this economic climate, efforts must be focused on maintaining and enhancing existing economic resources, such as housing, labor, child care, infrastructure and income, and continuing to develop new economic resources that increase the potential for greater income and diversity in the Area.

A. Strategy Development

In order to develop a vision and mission statement, the CEDS Committee maintains a S.W.O.T. analysis to identify the **Strengths, Weaknesses, Opportunities and Threats** unique to the Area, which have relevance to economic development. The CEDS goals and objectives were initially developed in December 2000 from a series of meetings and were revised after extensive public outreach during the 2002 and 2003 CEDS revision (see below). The vision statement, goals and objectives comprise the foundation for the Area's Action Plan which responds to the analysis of development potentials and constraints of the economy. Goals and Objectives will be updated during the next CEDS revision in 2008 using a similar process. This is a critical element of the CEDS process, providing a framework for public and private decision making and the basis for an Action Plan.

B. Competitive Advantage

The Committee agreed that *the competitive advantage of the Area is that it can supply those businesses taking advantage of Vermont's accessibility, marketing brand and quality of life with sufficient land, labor and capital.* The CEDS Committee will strive to leverage this advantage to maximize the Area's current and future development potentials.

C. Vision

The Committee's vision statement is: A balanced, diversified and healthy economy and environment that supports a high quality of life for the Area. This statement addresses the needs and concerns identified by the CEDS Committee and helps direct development objectives to that end.

D. The Mission of The CEDS Board

Our mission is to support businesses that capitalize on the Area's assets for the benefit of the Area's residents.

E. Goals and Objectives

Goal 1: Workforce Needs/Employment Opportunities

Goal 1: Support and create employment opportunities for the Area's population, including the un- and under-employed, that offer livable wages, skills training, and day-care programs.

Objectives:

1. Continue to support the development of all regional technical education centers.
2. Continue to enhance and better integrate the role of higher education institutions in workforce development.
3. Facilitate sufficient affordable quality day care opportunities.
4. Empower and develop capacity of Work Force Investment Boards.
5. Improve public transportation to link the workforce with jobs.
6. Facilitate new work-at-home or home-based business opportunities.
7. Support education-based business incubators, especially with links to existing higher education institutions and bio-medical fields.
8. Ensure adequate supply of affordable flexible space for start-up businesses.
9. Pursue and secure sources of business development capital.
10. Better understand and evaluate (define and document) current workforce characteristics and needs, with an immediate focus on measuring underemployment
11. Attract new businesses and retain existing ones that capitalize on Area's assets.
12. Maximize access to distance learning opportunities.
13. Support and create workforce development opportunities that pay "livable wages."
14. Utilize available workforce in the Springfield and Windsor areas as their regional economy adjusts.
15. Support arts and cultural activities as a critical element of the regional economy.
16. Support the Windsor Area Community Partnerships, distance and on-site learning project.
17. Support the Area's medical facilities by training the workforce with needed skills.

18. Create and maintain employment and educational opportunities for the Area's youth.

Goal 2: Infrastructure Needs

Goal 2a: Fully maximize use of existing systems and buildings to the greatest extent practical.

Objectives:

1. Maintain and expand knowledge about existing industrial and commercial sites including the identification of empty buildings and their availability.
2. Facilitate movement of people and goods through enhancement of existing public rail and roadway systems.
3. Support existing public transportation providers.
4. Build Area consensus to resolve east-west transport issues.
5. Better market existing telecommunications capacity.
6. Better utilize physical and social infrastructure in the Springfield and Windsor areas.
7. Support the redevelopment of the Area's downtowns and villages, especially those within the state designation program.
8. Plan for flexible business space to be located near transportation corridors.

Goal 2b: Maintain and improve existing systems consistent with current technology and local and regional growth objectives.

Objectives:

1. Develop rail sidings, intelligent transport systems and intermodal transport systems.
2. Expand telecommunications capacity throughout Area consistent with local and regional plans.
3. Support programs designed to create lower cost power.
4. Support alternative energy supply programs such as co-generation and solar.
5. Increase availability and lower costs for high-speed Internet access.
6. Support the development of park and ride lots to alleviate traffic congestion.
7. Support and plan for the implementation of better wastewater technologies.

Goal 2c: Facilitate the development of local capital improvement programs so that future expansion and maintenance of infrastructure won't place undue hardship on communities.

Objectives:

1. Identify, seek and strengthen sources of capital for infrastructure and transportation enhancements.

2. Improve local capital planning capabilities.
3. Develop and expand bicycle/pedestrian facilities throughout the area to improve connectivity.

Goal 2d: Infrastructure expansion to serve economic development should be directed to growth centers and industrial parks.

Objectives:

1. Attract and obtain capital to improve municipal water and sewer systems.
2. Assess and adaptively reuse abandoned buildings and Brownfields.
3. Assist in facilitating transportation connections between employment centers especially within east-west travel corridors.
4. Support new public transit routes where needed.

Goal 3: Housing

Goal 3: Promote sufficient availability of adequate, safe and affordable primary housing for residents of the Area, including those with special needs.

Objectives:

1. Encourage new initiatives to keep housing affordable and allow the development of new housing.
2. Encourage public-private partnerships to create new housing.
3. Provide the infrastructure necessary to support new housing within growth centers and logical extensions thereof.
4. Growth center extensions should follow transit routes to provide transportation choice to the workforce.
5. Establish housing rehabilitation and adaptive reuse programs throughout the Area.
6. Educate all facets of the community- employers, government, residents- about the need for and ways to support affordable housing development.
7. Encourage the application of the cluster housing concept and other conservation designs.
8. Educate municipalities about housing density and land use controls that support well-suited compact development.
9. Balance the proximity of housing, jobs and services.
10. Develop senior housing within growth centers and villages.
11. Support the expansion of funding to the Vermont Housing and Conservation Board for development rights purchases in the district.

Goal 4: Growth Centers

Goal 4: Direct development toward locally designated village and urban centers, including industrial parks, in order to support existing businesses, attract new businesses to the region, and stimulate downtown/village revitalization and development.

Objectives:

1. Define growth center and gain consensus within Area about growth centers.
2. Support the adequate supply of industrial and commercial parks in accord with local and regional plans.
3. Give priority for water, sewer and transportation improvements within growth centers.
4. Encourage and preserve development in town and village growth centers.
5. Create incentives to encourage investments in downtowns and historic properties.
6. Enhance streetscapes in villages and downtowns.
7. Support state designated downtowns and villages.

Goal 5: Environmental Quality

Goal 5a: Promote socially and environmentally conscientious development by using public investment to that end.

Objectives:

1. Direct public investments towards growth centers.
2. Encourage natural resource based businesses that are environmentally sound.
3. Encourage “green” business development through tax incentives, finance programs and certification programs.
4. Educate public about the benefits of buying “green” and locally grown and made products.
5. Encourage tourism that complements environmental protection.
6. Develop and promote image for the Area as home for environmentally and socially responsible businesses.
7. Promote energy efficient business, industry and practices.
8. Expand the number of lodging places participating in the Green Hotel certification program.

Goal 5b: Protect the Area’s environmental quality by balancing development with environmental preservation.

Objectives:

1. Develop programs that support agricultural and forest management.
2. Use existing public programs to preserve open space.
3. Support Internet based enterprise.
4. Identify appropriate areas for future development.
5. Support the continuation of the current use tax program.
6. Examine state taxing policies as they relate to impacting growth in rural communities.

Goal 6: Business Diversity

Goal 6a: Encourage, support and strengthen the development of a balanced, diverse and healthy economy.

Objectives:

1. Develop a plan to create business clusters to enhance markets for existing businesses.
2. Support business and industry that increases regional income, enhances regional income multiplication and improves the comparative advantage of the region's export products.
3. Study the pressures causing the loss of manufacturing industries within the Area.
4. Support worker and employer transitions as regional economies adjust.
5. Attract and support industries that utilize existing workforce skills.
6. Concentrate resources on entrepreneurship in emerging industries.
7. Support increased technology transfer in the Area.
8. Encourage the adequate supply of Eco-Industrial Parks.
9. Enhance tourism, particularly eco-tourism.
10. Support technology incubators.
11. Maintain agriculture and forestry as important components of the regional economy.
12. Investigate value added uses for underused agricultural and wood products.
13. Support permit reform as a means to enhance coordination among interest groups and lessen development costs by eliminating process redundancy.

Goal 6b: Support and maintain the existing business base.

Objectives:

1. Assist in the identification of new markets and technologies for mature industries.
2. Support agriculture and forestry as important elements of the region's quality of life and working landscape.
3. Help businesses exploit export opportunities.
4. Facilitate expansion of existing businesses through the RDCs.
5. Support the expansion of environmentally and socially responsible tourism and recreation facilities.
6. Support Regional Marketing Organizations and their efforts in marketing the region.

Goal 7: CEDS Coordination

Goal 7a: Coordinate all regional economic development activities.

Objectives:

1. Assist communities with economic development plans and programs.
2. Maintain a diverse group of interests on the CEDS Committee.
3. Obtain a small business representative on the CEDS Committee.
4. Obtain a Northern Forest representative on the CEDS Committee.
5. Obtain a health care representative on the CEDS Committee.
6. Increase opportunities for the Economic Development Administration to become involved in the East Central Vermont CEDS process.

F. Priorities

The CEDS Committee through a brainstorming process, public interviews and hearings, generated a list of goals. Below is a list of the top priorities in order of rank. These goals and their associated objectives are the Committee's priority over the next 5 years (2011) or until circumstances require their adjustment.

Goal 1: Support and create employment opportunities for the Area's population, including the un- and under-employed, that offer livable wages, skills training and day-care programs.

Goal 3: Promote sufficient availability of adequate, safe and affordable primary housing for residents of the Area, including those with special needs.

Goal 2d: Infrastructure expansion to serve economic development should be directed to growth centers and industrial parks.

Goal 6a: Encourage, support and strengthen the development of a balanced, diverse and healthy economy.

SECTION VI. ACTION PLAN

The East Central Vermont CEDS Action Plan is the tie between the analyses of the Area's economy, the Area's development potentials, and the resulting projects that are the product of the CEDS process. The Action Plan is a five-year plan for the completion of projects that address the weaknesses, threats and opportunities generated during the CEDS Committee's public outreach. This plan is consistent with the goals and objectives developed during the 2001 visioning process and reaffirmed in 2006.

Goals provide the basis for developing an action plan. This plan has two primary components: 1) prioritization of programs and activities, and 2) an implementation schedule. It is a plan that outlines how to achieve our goals. Below is a project listing developed by the CEDS Committee through a series of work sessions and public hearings. These programs and activities will be updated when the CEDS Committee feels appropriate or at the end of the CEDS horizon (2011).

A. Prioritization of Programs and Activities

Projects may be brought to the CEDS Committee by a number of sources. A local representative may recommend a project to the Committee. A Regional Planning Commission or Regional Development Commission board member or an elected or appointed local official may also recommend a project. All project recommendations shall be in the form of a project profile and be reviewed by the Steering Committee for timeliness, harmony with the Committee's goals and objectives, feasibility, cost effectiveness, accuracy of cost estimates and identification of obstacles. The Steering Committee will then present a summary recommendation to the CEDS Committee. The CEDS Committee can then make a decision as to whether or not to endorse the updated list.

Projects that are to be included in the CEDS Project Priority list must meet two threshold criteria: (1) they must have a sufficient level of detail to permit them to have a budget, and (2) they must be at an adequate level of maturity to ensure their implementation within five years. If these criteria are not met, the Committee has the option to place a project on a Project Planning list.

The CEDS Committee adopted the following project selection criteria for the Project Priority list. The model was developed by the Vermont Agency of Commerce and Community Development for the selection of Community Development Block Grants. It was determined that the criteria were well suited for project selection within the Area. The Committee will consider modifications to this system, as they become familiar with its weaknesses and strengths.

The following criteria will be used when evaluating projects for inclusion on Project Priority List. The Project Priority List does not prioritize projects in rank order.

Priority Selection Criteria (score 0-5, 5 highest rating)

1. Project Need

- a. Project need is well-documented.
- b. The proposed solution is appropriate.
- c. All appropriate funding has been sought.
- d. The project raises income levels of lower income households; reduces unemployment; or reduces underemployment.
- e. Project meets local and regional planning priorities.
- f. The project need is urgent.

2. Project Impact

- a. The project responds to the needs documented above.
- b. The project provides direct and long-lasting benefit.
- c. The project opens new opportunities to low-income persons.
- d. The project provides indirect benefit to the community.
- e. The project is cost-effective.

3. Project Feasibility

- a. The project is ready to start within six months of funding.
- b. The proposed time-frame is realistic.
- c. The proposed benefits are realistic.
- d. Cost estimates are appropriate and justified.

A public hearing was held in May 2006 to solicit comments on the project list as well as the vision, goals and objectives of the CEDS Committee. The following matrix (Table 16) outlines the implementation schedule that reflects the input from the public hearings and the results of the Committee work sessions.

Projects that have exceeded their five-year timeframe on the East Central Vermont CEDS Project Priority List shall be included in the Project Planning List. The Project Planning List shall also include those projects that may not yet be mature enough to meet the threshold criteria. There is no limit on how long a project may stay on the Project Planning list. Projects may be removed from the Planning list and put on the Project Priority list at any time.

B. Implementation Schedule

The CEDS Committee will implement its economic development program by fully utilizing their staff resources and will also seek to create new partnerships with other

public and private groups at local, state, and federal level. See Table 16 for the Priority Projects List and Table 17 for those projects in their planning stage.

Planning Funds

The CEDS Committee determined through their visioning and goal setting process that the CEDS would benefit from a more detailed analysis of underemployment and an expansion of the overall CEDS process. The CEDS Committee adopted these improvements as a formal objective. To avoid conflict between planning objectives and projects, all CEDS planning activities are excluded from the Project Planning or Project Priority List. It is the Committee's intention to seek planning funds from the EDA and other sources to complete these objectives.

Table 16: East Central Vermont CEDS Project Priority List

Project	Description	Time frame Short, Intermediate, Long, Ongoing (S, I, L, O) / Status	Promoter Organization(s)	Cost	Source of Funding	Related to Goal	Date added to List	Notes: Environmental Impacts or Other Info.
Berlin Branch Rail Line Upgrade	Upgrade the Berlin Branch rail track to class 1 between Wells River and White River Junction.	I	VTrans	\$2.5 million	VTrans	1,2,3,4 & 5	29-Jan-01	No environ. Impacts
Bradford Sewer Line Extension	Extend sewer infrastructure from downtown Bradford to the Pierson Industrial Park (2.2 miles) to provide for existing and future development.	S	Town of Bradford	\$2.2 million	EDA, USDA Rural Development	1,2,3,4 & 5	13-Jun-03	All permits obtained
Downtown White River Junction Parking Lot (behind Legion Bldg)	Upgrade to correct safety ,drainage and circulation problems to meet increasing demand for parking associated with redevelopment of White River Junction.	I	Town, HDC	\$1.5 million	Town, Private	1,2,4 & 5	7-Jun-06	Encourages private investment leading to job retention & creation
Hartford RT 5 S Water & Sewer Line Extension	Extend & upgrade lines to accommodate development in Industrial Commercial district.B20	S	Town, State,	\$2 million	Town, State, Private	1,2,4 & 5	7-Jun-06	Encourages private investment leading to job retention & creation
Jones and Lamson Plant Redevelopment	Redevelop 12.6 acres for industrial use at the former Jones and Lamson site in Springfield. Project includes partial demolition of the existing 270,000 sf building and environmental clean up of the site.	O	SRDC	\$5.6 million	State, Fed, local	1,2,4 & 5	29-Jan-01	Positive impacts. New jobs created
Pompanoosuc Mills Expansion	Building expansion and purchase of new equipment.	S	Town, GMEDC, TRORC	\$2.4 million	VEDA, VCDP, Private	1,2,4 & 5	7-Jun-06	Act 250 approved; 33-40 new jobs.
Railroad Row Improvements	Continuation of phased improvements along Railroad Row - street, streetscape, riverwalk, parking, railroad crossing and train depot gateway improvements.	S,O	Town, State, Railroad, HDC	\$4.5 million	FHWA, State, Town, Railroad, Private	1,2,4 & 5	13-Jun-03	Encourages private investment leading to job retention & creation
River Street Fellows Building	Develop the Precision Valley Development Incubator in Springfield. Project includes building improvements such as heating, new roof, windows and demolition of out-buildings.	S	PVDC, SRDC	\$1.5 million	Fed, State, local	1,2	29-Jan-01	Positive impacts. New jobs created
Southern Vermont Recreation Center	Redevelop the Patch site, an abandoned foundry building, to be used as a regional recreational center. Project includes construction of facility, parking lots and possible walking bridge.	O	So. Vt. Rec. Foundation, SRDC	\$8.6 million	Private, local	1,2 & 5	29-Jan-01	No environ. Impacts
Windsor Technology Collaborative Center (Rails to the Riverfront project)	Research, development, manufacturing center and small business support center to be located within the R2R revitalization site in downtown Windsor. Involves revitalization and retrofitting of the former industrial buildings into a center for nanotechnology and precision manufacturing. An access road will be built so that traffic generated by the project will be able to access the site from Route 5, at the northern end of the site, limiting impact on small, downtown streets.	O	Windsor Improvement Corporation	\$4.4 Million (phase 1)	VCDP, VEDA, EPA, FHWA, U.S. Dept. of Defense	1,2,3,4 & 5	13-Jun-03	New jobs created; Brownfield remediated

NOTES: Springfield Regional Development Corporation (SRDC); Regional Planning Commissions (RPCs); Green Mountain Economic Development Corporation (GMEDC); Vermont Agency of Transportation (VTrans); Transportation Time Frame: S = 1 yr, I = 2.5 yr, L = 5 yr

Table 17: East Central VT Project Planning List

Improve the condition of railroad deficiencies between Bellows Falls and Rutland.
Rehabilitate historic Pierce Hall in Rochester Village.
Develop a permanent V.I.T site and distance learning center in Windsor.
Redevelop the South Main Street rail yard site in White River Junction.
Develop a plan to educate businesses about “green” practices and certifications.
Leverage new employer assisted housing investments.
Promote an education program for businesses about environmental self-audits.
Support the development of an assisted living center in Chester.
Rehabilitation of an historic structure and new construction for mixed income housing and related commercial development in Windsor.
Expand the exit 8 and 9 Park and Ride facilities on I-91.
Develop a Park and Ride facility in White River Junction.
Develop a specialty foods incubator in Chester.
Preserve historic properties on the Green in Proctorsville.
Support the four-season expansion at Okemo and Ascutney Mountain resorts.
Redevelop the East End area of Woodstock.
Develop a customer service training program for those in the tourism industry.
Support VerShare in its development of eco-tourism.
Develop plan for surplus prison land in Windsor.
Develop a district-wide public transportation revolving loan fund.
Rehabilitate housing in Bradford.
Redevelop Goodyear property in Windsor.
Develop elderly housing in Thetford.
Multi-town broadband in Chelsea and surrounding Orange County towns.
Village designation for Norwich Village.
Sewer Line extension – Route 66 in Randolph.
Infrastructure expansion per “Beanville Study” in Randolph.
Develop Branchwood site in Randolph.
Road and Sidewalk improvements – East Randolph.
Downtown White River Junction parking lot.
Municipal water and sewer in Hartland Three and Four Corners.
Housing construction and rehabilitation initiative in the region.
Create Southern Windsor County Business Incubator.
Develop biomass energy facility in Ludlow.
Interchange development in Weathersfield.
Support the redevelopment of the former Fellows property in N. Springfield.

SECTION VII. EVALUATION

The CEDS annual evaluation assists the CEDS Board and EDA to better understand the effectiveness of the CEDS process in achieving the highest economic priorities of the Area. The Steering Committee's staff uses performance measures to complete an annual evaluation of the process. This report is the result of an Area-wide analysis of the Region in terms of employment, housing, infrastructure and economic diversity. It measures the most important development goals of the Region in both qualitative and quantitative terms. Various data sources were used together with our local understanding of regional economic interactions to evaluate how well the East Central Vermont CEDS priority goals and objectives are being met. Information was examined in terms of its change relative to the CEDS goals. Improvements in the performance measures were credited to the CEDS process. The interactions of the CEDS partners in contributing to the success were also explored.

Other influences affect the implementation of the CEDS. It is sometimes difficult to differentiate between the results of the CEDS and other factors. It is assumed that progress is primarily attributed to the CEDS understanding that as education and participation increases, the larger the influence the CEDS will have.

This is our fifth evaluation using our performance measures. Some data and information continue to be unavailable for prior years for comparison. Analysis and evaluation will be completed when these data become available.

Increased and diversified participation:

Qualitative measures:

Participation by Various Interests. Through our public meetings, the CEDS process has become more inclusive of a diverse set of interests. There continues to be interest and awareness of the CEDS among the artistic and historic preservation communities as indicated by their participation in our Semi-Annual Meetings and as well as through questions asked at various conferences regarding the role of CEDS and EDA in economic development. The Town of Windsor continues to be involved through representatives of the Steering Committee, including the Vice-Chair, who's also the Windsor Selectboard Chair. We are continuing to educate our respective boards and the public about the benefits of the CEDS and its workings.

More effort and different tactics need to be applied to diversify the Committee and increase attendance at meetings. Over the past year, we have held many meetings, involving different partners in an effort to increase diversity amongst the group. The RDC and RPC are examining different ways to get people involved.

Quantitative measures:

- **Full CEDS Committee Participation Rates.** A full CEDS Committee meeting was held in 2006. Participation at the May 17, 2006 Annual Meeting was 67 percent of the full Committee, as well as representation from each of the partner's four boards. The partner's continue to update and engage the boards as well over the course of the year. Efforts have been made to implement different approaches to make the CEDS accessible. The CEDS Annual Meeting was tremendously successful in communicating the work going on in the region and increasing awareness of economic development opportunities in the CEDS Region.
- **CEDS Steering Committee Participation Rates.** Seven Steering Committee meetings were held over the past year. Participation varies from about 50-70 percent, with consistent participation from all of the partners. The partners will also involved collaboratively in the preparation of the Semi-Annual and Annual meetings.

Priority Goal 1:

Support and create employment opportunities for the area's population, including the un and under-employed, that offer livable wages, skills training and day-care programs. Retain and create workforce development resources.

Qualitative measures:

- **Workforce Investment Board (WIB) Activity.** The existing area WIBs are currently functioning, with the southern WIB undergoing some organizational changes in the past year. A member of the Steering Committee serves as a Co-Chair of the new southern WIB and works to ensure collaboration in the efforts of both groups.
- The Southern Windsor County WIB continues to work on specific implementation measure of the current. Regional Economic Development Plan. The WIB, and the CEDS Steering Committee, are also represented with Board membership on the boards of the River Valley Technical Center and the Howard Dean Education Center. The WIB, RVTC and HDEC as well as the CEDS partners have worked collectively on an innovative training program for dislocated and underemployed workers in the region and continue on a variety of workforce development projects.

Quantitative measures:

- **Average Annual Wages.** Vermont Department of Employment and training ES 202 data was used to examine average annual wages at a broad NAICS level. All the LMAs, Springfield, Hartford and Randolph showed an increase in average

annual wages over the 2002 – 2005 period.

- The Hartford-Lebanon LMA continues to pay the highest annual average wage of the three CEDS LMAs. The Hartford-Lebanon LMA had the greatest percentage increase in wages over the year. The Springfield LMA, and to a lesser degree the Randolph LMA, have seen a gradual erosion of their manufacturing industrials and their replacement with lower-paying service oriented jobs. However, both have had increases in the past 4 years.

Total Average Annual Wages

LMA	2005 Annual	2004 Annual	'04 - '05 % Growth	2003	'02 - '03 % Growth
Springfield	\$29,563	\$28,980	2%	\$27,910	4%
Hartford-Lebanon	\$34,761	\$33,884	3%	\$32,117	3%
Randolph	\$29,476	\$27,624	7%	\$27,779	3%

Source: VT Department of Labor.

The CEDS Committee continues to include workforce interests in the process to better address these needs. These efforts should focus on creating employment opportunities homes and business. Our cluster analysis will provide us with valuable information to consider in the coming year that is related to these efforts.

- **Employment Growth.** Vermont Department of Labor ES202 data was used to examine Average Annual Total Employment at a broad NAICS level. Job growth in the three LMAs in 2005 varied. Randolph with the highest jump, a 7% increase, from 5,287 in 2004 to 5,329 in 2005. The Hartford-Lebanon LMA experienced a 3% growth in employment, increasing from 11,711 employees in 2004 to 11,896 in 2005. The Springfield LMA increased by 2%, going from 8,909 in 2004 to 9,073 in 2005.

The Springfield LMA had a net gain of 164 jobs. Employment in the Leisure and Hospitality sector continues to grow (paying \$17,451 in annual average wages). But, it is encouraging that the other sectors showing significant growth are Manufacturing (paying \$35,898 in annual average wages), Professional & Business Services (paying \$33,745 in annual average wages) and Education & Health Services (paying \$31,775 in annual average wages). The Hartford-Lebanon LMA had a net gain of 185 jobs. The significant job increases again occurred in professional services and construction sectors. The Construction sector (paying \$33,473 in annual average wages) added 87 jobs and the Professional & Business Services sector increased by 72 jobs (paying \$47,601 in annual average wages).

The Randolph LMA had a net gain of 42 jobs. Manufacturing grew by a net of 30 new jobs (paying an annual average wage of \$34,633), despite a loss of 26 jobs in Wood Product Manufacturing. The other notable category was a loss of 26 jobs

was Education and Health Services (paying \$31,170 in annual average wages).

- **Unemployment.** Unemployment in the three labor market areas decreased over the year between May 2005 and May 2006; in the Springfield LMA it dropped from 3.9% to 3.6%; Randolph remained stable at 3.0%; and Hartford/Lebanon fell from 1.7% to 1.6%.

Labor Force and Unemployment	May 2005	May 2006
SPRINGFIELD LMA		
Employment	11,300	11,350
Unemployment	450	400
Rate	3.9%	3.6%
Total Labor Force	11,750	11,750
HARTFORD/LEBANON LMA (VT towns only.)		
Employment	18,600	18,950
Unemployment	350	300
Rate	1.7%	1.6%
Total Labor Force	18,950	19,250
RANDOLPH LMA		
Employment	8,100	8,100
Unemployment	250	250
Rate	3.0%	3.0%
Total Labor Force	8,350	8,350

Source: VT Department of Labor.

- **Available Daycare.** As of January 2003 there are approximately 3,000 daycare, in-home, center, and kinder/nursery spaces within the Area. Information is not available for prior years from the VT Department of Social and Rehabilitation Services.
- **Number of Employees Trained in the Industrial Job Training Program.** Twenty individuals in the Area were trained in the program.

Priority Goal 2:

Promote sufficient availability of adequate, safe and affordable primary housing for residents of the area, including those with special needs.

Qualitative measures:

- **Evidence of heightened awareness of the need for affordable and workforce housing, i.e. discussions of issue by regional organizations, presence on planning commission agendas.** The partner organizations have continued to spearhead a regional effort to understand and identify possible solutions for the

Area's housing shortage. From the needs assessment and in conjunction with the Vermont Housing Finance Authority, public meetings were held this past year to educate local officials about affordable housing issues and implementation measures that local communities can use to address this critical issue.

The Upper Valley Housing Coalition (UVHC) continues with its mission to educate all facets of the community, build relationships and develop mechanisms to facilitate the development of housing. The Upper Valley Housing Coalition (UVHC) has created a video that can be used by many different groups to address specific housing issues in the CEDS region. Many of the Housing groups and the Regional Planning Commissions are holding meetings to show the video and discuss implementation measures that can be used.

- **Zoning changes to provide for more opportunity for housing.** With the increased momentum for solving the Area's housing crises many communities are taking a look at their land use regulations. The towns of Bethel, Chelsea, Corinth, Pomfret, Thetford and Vershire are all in the process of amending their plans and regulations. All the Towns in the region are reviewing their bylaws and policies to determine whether they enable the provision of affordable housing.

Quantitative measures:

- **VT-based sponsors of Upper Valley Housing Coalition (UVHC).** According to the latest UVHC participation figures, ten Vermont organizations currently sponsor the UVHC by having donated funds.
- **Financial ability of housing trusts.** The Twin Pines Housing Trust had about \$2 million dollars in gross assets at the end of the 2005 calendar year. Although this figure has been stable for more than four years, the Trust will experience a significant expansion in 2006 with projects in Woodstock VT and Hanover, NH. The Rockingham Area Community Land Trust has gross assets of \$8.3 million dollars as of June 2005.
- **Number of units added that are affordable to low/moderate income families.** According to our regional housing providers, eighteen housing units were constructed in the Area. Most of these units are located in the Area's employment centers and are close to basic services which satisfy CEDS growth centers objectives.
- **Increase in public transit, park-and-rides and ridesharing, to improve linkage between available housing/land and jobs.** Stagecoach Transportation Services received approval last year to expand their bus service by including a new route from Randolph to White River Junction. White River Junction is a major employment hub in the region. This will assist in linking our workforces with job opportunities, in an economical manner,

especially in light of the significant increase in fuel costs. Park and Rides facilities continue to be a source of concern in the region. There is a great demand for space in the Park and Ride facilities and cars are now parking on the street due to the lack of space. A group is looking into finding additional facilities in New Hampshire. The Upper Valley Transportation Demand Management Association is a group of public and private groups trying to decrease demand for the area's transportation infrastructure. This group has done well in educating and supporting the development of Park and Rides which are in critical need in order to assist in car pooling and decreasing transportation cost of our Areas lower income workers. The Vermont Agency of Transportation is also reexamining and studying the need for Park and Rides statewide. These activities also help elevate the housing pressures in the core communities.

Connecticut River Transit continues to work with the Vermont Agency of Transportation to upgrade Park and Ride lots at Exits 7 and 8 adjacent to Route 91. The transit provider is also seeking to expand capacity at the Exit 9 Park and Ride lot.

Upper Valley Rideshare (UVRS) recently expanded their geography to include additional communities in the southern Windsor county area. The UVRS offers free carpool matching services. This will expand employment opportunities to a large portion of the Area.

Several of the CEDS partners and Steering Committee members are involved with the UV Housing Coalition and the UV Rideshare efforts. Improvements can be made in our process to include the effort of the UV TMA.

Priority Goal 3:

Infrastructure expansion to serve economic development should be directed to growth centers and industrial parks.

Qualitative measures:

- **Planning activity aimed at fostering economic development in growth centers and/or industrial parks.** Brownfield redevelopment has been the primary focus for many of the Area's industrialized communities such as Springfield and Windsor. The SWCRC and TRORC have made significant progress in completing the planning stages of reusing many of these sites. However, attracting capital to invest in these areas has been challenging and will be the focus for many of the sites who have complete the planning stages.

Quantitative measures:

- **Investment (in US Dollars) in infrastructure in growth centers.** The Area's growth centers have seen some investment. The Towns of Springfield and Ludlow have been updating and improving their sewage treatment plant. A new

town garage has been constructed in Hartford. Sewer improvements are planned in Bradford. Housing improvements are planned in Randolph and there are numerous road and bridge projects underway as well. We roughly estimate about \$9 to 11 million dollars invested in the Area's growth centers over the past year.

The Regional Planning Commissions in the region have been successful in applying for and receiving additional funding for brownfield assessment through the EPA. The Two Rivers-Ottawquechee RPC received \$600,000 in funding, while Southern Windsor County RPC received \$210,000 in assessment funds. The Southern Windsor RPC continues to work on its Brownfield Revolving Loan Fund Program which it hopes to have operating in FY 06. The Town Of Windsor of Windsor received an additional \$100,000 in Targeted Assessment funds.

- **Investment (in US Dollars) in infrastructure in industrial parks.** There has been no investment in the Area's industrial parks over the past year.

Priority Goal 4:

Encourage, support and strengthen the development of a balanced diversified and healthy economy.

Qualitative measures:

Each of the Area's Labor Market Areas has maintained their diversity over the past year (see CEDS document for more information). There are slight changes in the Area employment composition which are highlighted in the employment and wage analysis above. Still, the Area closely resembles the State of Vermont in terms of employment. The Area is slightly more concentrated in Educational and Health services due to the presence of the VA Hospital in Hartford and in Professional industries many of which are outgrowths of the Dartmouth College and Dartmouth Hitchcock Medical Center in nearby New Hampshire.

The RDCs continue to support employers in retaining and creating jobs through various programs. These efforts have been successful in meeting the objectives toward diversifying our economy. After years of planning, there is the beginning of redevelopment and successful business growth.

The Randolph Incubator project is moving forward with the funds it received from EDA. This is a major success that is the result of years of dedication and hard work from the CEDS Steering Committee members, particularly the GMEDC. Their work has been instrumental in seeing this project to completion.

Quantitative measures:

- **Distribution of covered employment across major NAICS industry groups.** The Area's industrial composition has remained about the same of the past year. See current CEDS document for full explanation of industry composition. See

- employment and wage discussion above for explanation of recent changes.
- **Number of VT businesses assisted.** There were 65 businesses within the area assisted by our Regional Development Corporations in 2005.
 - **Number of jobs retained.** One hundred and forty jobs were retained due to the efforts of our Regional Development Corporations in 2005.
 - **Number of jobs created.** Job creation within the Area totaled 75 during 2005 according to RDC records.
 - **Number of businesses assisted with financing.** Regional Development Corporations assisted 6 businesses with financing according to RDC records in 2005.

APPENDIX A: CEDS BOARD BYLAWS

BYLAWS FOR THE EAST CENTRAL VERMONT CEDS COMMITTEE

1. Name and Authority

The organization shall be known as the "East Central Vermont Comprehensive Economic Development Strategy Committee" (ECVT CEDS).

An approved CEDS document, as defined below, is required by Public Law 105-393, the "Economic Development Administration Reform Act" of 1998 which amended the Public Works and Economic Development Act (PWEDA) of 1965.

Economic Development Administration (EDA) funding is limited to districts and areas with an approved CEDS.

2. Purpose and Objectives

The Comprehensive Economic Development Strategy Committee (CEDS) is charged with writing and periodically updating the CEDS document and setting out economic development priorities as viewed by the member towns.

This document provides background information and lays out an economic development plan for the 40 member towns as well as the region as a whole.

It lists the economic development needs of the region and sets out priorities as discerned by the member towns. It also guides the Federal EDA in selecting projects for funding and implementation within the region.

3. Location

Until amended, the offices of ECVT CEDS will be co-located with the offices of the Two Rivers- Ottauquechee Regional Commission, 3117 Rose Hill, Woodstock, VT 05091.

4. Membership

Membership is open to all parties interested in economic development in the 40 town region, including, but not limited to, representatives of the 40 member towns (see appendix for listing). Representatives of: Green Mountain EDC, Southern Windsor County RPC, Springfield Regional DC, Two Rivers-Ottawuechee RPC are included. Other organizations that may wish to join and be represented include local economic development groups, labor representatives, affordable housing, tourism, service providers, community action agencies etc. Individual members are also welcome.

5. Committees

The membership as defined in Section 4 serves as the CEDS Committee. It elects officers and adopts a budget. The Committee's responsibility is to consider the current CEDS document and to update it as the current situation in the region changes and the economic development climate of the region changes. The Committee decides on the relative importance (priority) of each initiative. The Committee can decide to drop any particular initiative or to include new ones to be added to the document. Although it will always be a plan in evolution, the current CEDS document shall be adopted by the CEDS Committee at least annually. The CEDS Committee also evaluates progress in achieving the goals of the strategy.

The CEDS Board will consist of:

President and Vice-President

The Executive Director (or their designee) from:

Green Mountain EDC	Southern Windsor County RPC
Springfield Regional DC	Two Rivers-Ottawuechee RPC

Five at-large members (who are not on the staffs of the above agencies). These members should represent any Economic Development initiative that is in the planning or implementation phase.

The responsibility of the Steering Committee is to oversee the day by day operations of ECVT CEDS. It is also responsible for evaluating the input received at an annual or quarterly meeting and revising the CEDS plan accordingly. The committee is responsible for arranging an annual meeting, and interim meetings of the whole CEDS Committee. The Steering Committee will meet monthly or as needed..

Secretarial Committee. Until such time as funding permits a staff for the ECVT CEDS, it is agreed that the Executive Directors (or their designees) of the two RPCs and two EDCs will provide secretarial services on a rotational basis, serving for six months each. Agendas, meeting notices and minutes will be prepared by this Committee and distributed as needed. Meeting notices, agendas and minutes are available via email, to anyone, on request to the current secretary.

6. Officers and duties

A President and Vice-President shall be elected at the annual CEDS Committee meeting in the late spring. They shall serve for one year or until the next annual CEDS Committee meeting. They may be reelected to further terms.

7. Meetings and Quorum

The CEDS Committee will meet at least annually at a location within the 40 town region. The meeting notice, agenda and other material will be mailed at least 15 days in advance.

Additional interim meetings may be scheduled as needed, and notice will be for the annual meeting, as above.

At annual or semi-annual meetings of the CEDS Committee a quorum shall be those members attending the meeting. For CEDS Board meetings a quorum will be three members of the board.

All meetings are open to the public and input is welcomed.

8. Voting

All motions, including adoption of bylaws, amendment of bylaws and motions proposed and seconded, will be decided by voice vote. However, the chair of the meeting may call for a written ballot when requested by the members. Motions will be decided by members present and voting.

9. Adoption and Amendment of the bylaws

Bylaws are adopted by a simple majority vote at any duly called and noticed CEDS annual or semi-annual meeting. The bylaws may be amended at any meeting of the CEDS Committee by a majority vote of those present. Bylaws or amendments will be circulated to members at least 15 days before the meeting where they are to be considered for adoption or amendment.

Adopted by full CEDS Committee, 27 March 2003. Amended, 9 December 2004, 17 May 2006

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Appendix: Towns in the ECVT CEDS

Andover	Baltimore	Barnard	Bethel
Bradford	Braintree	Bridgewater	Brookfield
Cavendish	Chelsea	Chester	Corinth
Fairlee	Granville	Hancock	Hartford
Hartland	Ludlow	Newbury	Norwich

Pittsfield	Plymouth	Pomfret	Randolph
Reading	Rochester	Royalton	Sharon
Springfield	Stockbridge	Strafford	Thetford
Topsham	Tunbridge	Vershire	Weathersfield
West Fairlee	West Windsor	Windsor	Woodstock

APPENDIX B: SWOT MATRIX

SWOT Matrix

CEDS Goals							
	(1) Employment	(2) Infrastructure	(3) Housing	(4) Growth	(5) Environment	(6) Economy	(7) Coordination
Strengths	Presence of a major medical facility and college. Higher Education. Health care. Skilled Labor Force. Supportive Vermont government policies. Primary and Secondary Educational Systems. Perception of Work ethic.	Transportation (highway, rail). Telecommunications. Economic Development Planning Infrastructure.	Public and private support to solve housing issues.	Near to Northeast markets and assets. Access to private capital. Quality of existing businesses. Bi-state regional planning.	Diverse Agricultural Industry. Recreation and Culture. Small Size/Compact. Rural Character. Riparian Corridors/Rivers. High Environmental Quality. By sub-district, regional identity.	Exceptional arts and cultural resources. Economic Diversity. Tourist Destination. Vermont brand cache'. Comparatively low employee turnover.	Strong regional Political representation with influence
Weaknesses	Underemployment. Skill gaps. Low wages. Limited livable wage jobs. Lack of child care across three shifts.	Aging water and sewer systems; railroads; highways and bridges. Holes in telecommunication network. Cost and reliability of high-speed internet access is inconsistent across the Area. Struggling downtowns. Limited capital for downtown redevelopment. Minimal public transportation. No regional conference center.	Insufficient housing supply at all price levels. Vermont communities (as compared to NH) over the past decade have seen a disproportionate share of residential development growth relative to business growth; No regional tax sharing exist to offset the revenue/cost of development inequity that may result.	Labor shortage. Perceived to be more expensive to do business in VT than in nearby NH.	East-Central Vermont does not have a well defined identity. Brownfields. Employment growth is concentrated in the core Upper Valley and is in part supported by the workforce in nearby job centers. Local and national forces threaten traditional farms.	Unreliable and limited local commercial air service. Some specific mono-industry places. Vermont perceived as not business friendly. High competition in the travel and tourism industry. High cost of electricity.	Local parochial approach to business development. CEDS Committee has limited representation from certain interest groups.
Opportunities	Experienced secondary/technical education system. Experienced college level tech ed system. Dartmouth and UVM resources. Tourism is tied to the beautiful landscape.	New fiber optic and telecommunications installations. Renewed energy/economy for rail usage. Redevelopment possibilities for properties along Railroad Row in White River Junction.	Emerging Housing Trust Fund.	Rapidly expanding regional economy. Arts and cultural resources. Environmental businesses are attracted to a "green" state. Global trade opportunities are increasing. Access to Canada . Specialty agricultural products are an emerging market.	"Rural" living is close to "urban" jobs. The size and character of local communities result in a high quality of life.	Statewide policy focus on issues important to region: brownfields, downtowns, housing. There are creative entrepreneurs. The work ethic means quality production.	There is political support to address major issues.
Threats	Rising cost of living. Local government structure that dis-favors rapid response, particularly in developing focused workforce training programs. Affordability gap is widening in housing.	Citizens keeping local taxes low despite community needs.	Education funding structure.	Vermont cache limits perception of the possible. Foreign competition is eating up market share. No labor availability. Towns are not able to keep pace with the demand for public investment. Decision-makers are Risk-adverse to economic growth.	Disappearing agrarian landscape. Apathy in good times. Paralyzed state and federal legislatures. The gap between haves and have nots is widening. Region has a permanent working underclass. The growing needs of an aging population.	Increased cost and demand for energy. Not self-sufficient. Ongoing perception of VT as business unfriendly. Lack if commitment to work (anti-work ethic). Out-migration of the college educated. Aging workforce.	Omission of certain interest groups on the CEDS Committee.

APPENDIX C: PROJECT PRIORITY SUMMARIES

East Central Vermont CEDS Project Priority Summaries

June 20, 2006

Berlin Branch Rail Line Upgrade

The rail line, which is now owned by the state, was, until recently, in such disrepair as to render it unusable. However, there is a need for the line that has been recognized since its construction many decades ago. The B & M Company provided unreliable service to its customers using this line and lost their business to trucks. This has resulted in heavy truck traffic along Interstate 91 and through Wells River. Trucks carrying commodities could, and are to a limited degree, now being replaced by train cars. The line is still in poor condition, however, and trains must not exceed 15 miles per hour along most of the distance. The track needs new beds and new ties to be truly serviceable. Since the state is the owner, the VT Agency of Transportation would oversee repairs. Total cost approximately \$2,500,000.

EDA Investment Criteria

Be market-based and results-driven: This project will provide transportation options for the private transportation of goods, resulting in increased private-sector investment and employment opportunities in the region.

Have strong organizational leadership: The organizational strength of the Vermont Agency of Transportation is behind this project as the owner of the line.

Advance productivity, innovation and entrepreneurship: an active rail line that can accommodate double stack shipments and have the rail strength to carry loads carried by other railroads in the country will allow this line to serve as a vital link between some deep water ports in Canada and markets throughout the country.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: The active rail line will encourage new investment along the line within some existing industrial parks with unused capacity. New and existing clusters will be enhanced by a rehabilitated rail line.

Demonstrate a high degree of commitment by exhibiting: By buying this line, the State of Vermont has shown its support for increasing rail usage in the area. The purchase was strongly supported by the Two Rivers-Ottawaquechee Regional Commission and local communities. Businesses, governments at all levels and non-profits believe using rail makes economic sense for the Region.

Bradford Sewer Line Extension

Currently, the Pierson Industrial Park is not serviced by the village sewer system. The line reaches south only to the Waits River. The 2.2 mile extension would run south along

Route 5 until it reached Route 25 where it would run east to the park. This industrial park is small and because each industry must build septic systems requiring large leach fields, the buildings that can be built are restricted in size. Perhaps at least as important is the need to prevent hazardous materials from being discharged unnoticed into these septic systems. This occurred at the Maska plant in the park, resulting in a migrating plume of hazardous effluent. Sewer service would have prevented this accident from damaging the environment. Additionally, several businesses that have expressed interest in locating to the park declined occupancy due to the lack of sewer facilities. Total cost approximately \$1.2 million.

The Village of Bradford owns the sewer plant and distribution system. However, a Town/Village merger is in the works and may come to fruition this year. Dubois and King Engineering, Inc. has completed a conceptual alignment of the line and most likely would be selected to design the final system.

EDA Investment Criteria

Be market-based and results-driven: This Project will result in additional private sector investments in commercial and industrial sectors. Additional jobs will be created in construction, manufacturing and retail.

Have strong organizational leadership: The Town of Bradford will use the expertise of the Two Rivers-Ottawaquechee Regional Commission to marshal this project through to completion. Multiple funding sources are contemplated so strong, coordinated leadership is essential. TRORC brings decades of management and oversight experience to the table.

Advance productivity, innovation and entrepreneurship: This project will allow more intense development to occur in an industrial park that has unused capacity. Several new buildings are available for use by high-tech or research oriented businesses.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: This project may enable new technologies and processes to be developed and will allow emerging enterprises to expand on-site.

Demonstrate a high degree of commitment by exhibiting: This project already has a majority of the funding identified and committed and will leverage additional private sector dollars. The project is supported locally, regional and statewide by governments and also by many non-profit organizations.

Downtown White River Junction Parking Lot (behind Legion Bldg)

Attracting investors in redeveloping properties in White River Junction works hand in hand with having adequate parking to support the existing a proposed increased commercial and residential densities in the Village. Addressing the underutilization of a substandard municipal parking lot due to grade, safety, drainage and vehicular and

pedestrian circulation problems is a critical piece of attracting business and jobs to the Downtown. Project cost is estimated at \$1.5 million.

EDA Investment Criteria

Be market-based and results-driven: The number one issue for three recent projects has been securing adequate parking for employees and consumers.

Have strong organizational leadership: The Town of Hartford is the eighth largest community in the State of Vermont and has dedicated staff with over 25 years of experience in assembling and implementing community development projects.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: Redevelopment of this municipal parking lot will eliminate a large barrier to expanding the jobs available in one of the largest urban areas in the CEDS Region.

Demonstrate a high degree of commitment by exhibiting:

- **Clear and unified leadership and support by local elected officials** – The Town hired an engineer to complete a comprehensive conceptual planning analysis to more clearly identify the issues and redevelopment alternatives. Following community meetings, a specific design alternative was unanimously approved by the Hartford Selectboard.
- **Strong cooperation between the business sector, relevant regional partners, and local, state, and federal governments** – This is one of the top priority projects for the Town, area businesses and Hartford Corporation.

Hartford RT 5 S Water & Sewer Line Extension

Extension and upgrade of municipal water and sewer systems is needed to accommodate development in an Industrial Commercial (I-C) district at the interchange of I-89 and I-90. The main redevelopment project is a \$14 million sports and Olympic competition aquatic center serving the entire New England region of the US; construction is expected to begin in 2008. Other potential projects include a hotel, restaurant, office buildings and an indoor competition basketball court.

EDA Investment Criteria

Be market-based and results-driven: The developers of the sports center has been able to raise the funds necessary because it meets a need which is not served in the Northern New England section of the US. The I-C districts' close proximity to two interstate highways provides easy access for the region, and beyond the region into other parts of Vermont, New Hampshire and Massachusetts. The sports/aquatic center is expected to create at least 40 new jobs within its first year of operation. Other potential projects could add another 100 jobs. The tax revenues generated from more than \$14 million in private investment will be significant.

Have strong organizational leadership: The Town of Hartford is the eighth largest community in the State of Vermont and has dedicated staff with over 25 years of

experience in assembling and implementing community development projects. In addition, the Town has a fully staffed Department of Public Works with over 40 years of experience expanding and managing water and waste water systems.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: The Town of Hartford is one of the two largest employment centers in the Upper Valley bi-state region, and in the CEDS region.

Demonstrate a high degree of commitment by exhibiting:

- **High levels of local-government or nonprofit matching funds and private-sector leverage** – The \$3.5 million of funds to extend the municipal systems will leverage over \$14 million in initial investment of private funds for the sports/aquatic center project alone, and potentially another \$10 million for development of other parcels. Approximately \$2 million of federal, state and local funds already have been committed towards design and construction of the systems.
- **Clear and unified leadership and support by local elected officials, and strong cooperation between the business sector, relevant regional partners, and local, state, and federal governments** – The Town has completed the engineered design of the water system and a portion of the waste water system extension. The state has completed a conceptual layout of the remaining portion of the wastewater system, and final engineering will be completed this winter. This is one of the top priority projects for the Town and state.

Jones and Lamson Plant Redevelopment

The J & L Plant 1 site was the foundation of the community's historic identity as the "machine tool capital of the world" in the 20th Century. Unfortunately, it's now a symbol of the economic decline of Springfield as it has sat empty for 20 years and has been unheated for 15 years. This has resulted in dramatic deterioration in the property and that, combined with the fact that it is a brownfield, has made the redevelopment a complicated project.

The site is 12.6 acres and current plans call for preserving and renovating 60,000 square feet as well as construction of new commercial/industrial property on this important parcel. Environmental assessment is near completion and preliminary site design has been completed, including stormwater design.

The property is owned by Springfield Regional Development Corporation and is being developed with available local, state and Federal funds. Total project cost is approximately \$5.6 million.

EDA Investment Criteria

Be market-based and results-driven: The completed project will result in the creation of approximately 150-200 high-skill, living wage jobs at value-added companies. The renovated property will also provide a significant boost to the community's Grand List.

Have strong organizational leadership: The property is owned by Springfield Regional Development Corporation who completed a similar renovation project several years ago with the former Jones & Lamson Plant 2. The project is also a priority for the Town of Springfield who has dedicated significant resources.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: The businesses that will occupy this property will be targeted value-added companies, as discussed in the region's strategic economic development plan. The site is conveniently located near the Howard Dean Education Center as well as being close to Interstate 91, allowing for proximity to the growth area of the Upper Valley.

Demonstrate a high degree of commitment by exhibiting:

- **High levels of local-government or nonprofit matching funds and private-sector leverage.** – Over \$2 million in local and state dollars are already in place for this project.
- **Clear and unified leadership and support by local elected officials.** The project is identified as a priority in the recently updated Town Plan.
- **Strong cooperation between the business sector, relevant regional partners, and local, state, and federal governments.** The SRDC Board has worked closely with local and state government officials in this effort as well as with the Regional Planning Commission.

Pompanoosuc Mills Expansion

Building expansion and purchase of new equipment.

EDA Investment Criteria

Be market-based and results-driven: Investment in the expansion project will increase the number of jobs at Pompanoosuc Mills by 25-30%. This is Thetford's largest employer and one of its larger property tax payers in a community with very limited prospects for commercial growth.

Have strong organizational leadership: Leadership at Pompanoosuc Mills has 30+ years of leadership of this company and has consistently demonstrated a significant commitment of resources and talent to ensure the project's successful execution.

Clear and unified leadership and support by local elected officials: The elected Municipal officials have unanimously supported this project, as has the region's elected member of Vermont's House of Representatives.

Strong cooperation between the business sector, relevant regional partners and local state and federal governments: All involved parties noted above have unanimously endorsed this project and supported it in their own ways, to the fullest extent possible.

Railroad Row Improvements – White River Jct.

Continued redevelopment and phased improvements along Railroad Row, including street, streetscape, riverwalk, parking, railroad crossing and train depot gateway improvements. The Town of Hartford is working with private property owners, the State and the Railroad companies to implement the project. Earlier phases included funding from HUD, FHWA, State, Town, and private property owners. Future phases include funding from FHWA, State, Railroad Company, Town and State DD tax credits. Total cost is estimated at \$4.5 million.

EDA Investment Criteria

Be market-based and results-driven: As a result of the earlier phases of public improvements the project, a private developer was then willing to commit to redevelopment of two properties. This in turn allowed two professional consulting firms to remain in town, with the retention of 50 jobs and the creation of an addition 25 new jobs. Subsequent phases of development will continue to support additional private investment and creation of additional jobs in the area.

Have strong organizational leadership: The Town of Hartford is the eighth largest community in the State of Vermont and has dedicated staff with over 25 years of experience in assembling and implementing community development projects.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: White River Junction is one of largest urban areas in the CEDS Region.

Demonstrate a high degree of commitment by exhibiting:

- **High levels of local-government or nonprofit matching funds and private-sector leverage** -- \$668,000 of Town, State and HUD funds for improvements along railroad Row already have leveraged over \$5 million in private sector investment and another \$1.6 million private development project is scheduled for construction in 2008. An additional \$70,000 of local, State and Federal funds are committed towards the next phased development of Railroad Row improvements.
- **Clear and unified leadership and support by local elected officials**
Completion of Railroad Row improvements is on the of Selectboard's top priorities. It's commitment of over \$150,000 in the past year is a clear demonstration of its commitment
- **Strong cooperation between the business sector, relevant regional partners, and local, state, and federal governments** – The Town has secured agreements with businesses and the state, which own property along Railroad Row, outlining their agreement to make available rights-of-ways to facilitate the build-out of the Railroad

Row. The Town also is in the process of negotiating a Memorandum of Understanding between the Town, State and Railroad Company regarding the future use of and access to state land under contract to the Railroad Company, and development of a controlled access across rail lines.

River Street Fellows Building

Redevelopment of iconic manufacturing property located in the community's historic downtown. The project includes significant building improvements such as heating system, new roof and demolition of out buildings. This would be a cornerstone of a potentially larger riverfront development initiative.

The completed project would not only revitalize a historic structure but would be a major, mixed-use, catalyst to downtown redevelopment. Total cost is estimated at \$15 million.

EDA Investment Criteria

Be market-based and results-driven: The completed project will return the property to the community's Grand List and will significantly increase adjacent property values, leading to increased tax revenue.

Have strong organizational leadership: The people involved with this project have successfully completed similar downtown projects in other communities in the state. There also is significant property development experience as well.

Salisbury Square Project

The Salisbury Square project aims to create 20-30 new homeownership units on 4.4 acres of disused industrial land immediately adjacent to Randolph's Designated Downtown. The site was formerly one of two Ethan Allen furniture manufacturing plants in Randolph, used primarily for grading, sorting and kiln drying lumber. RACDC has acquired the site, by donation, from Ethan Allen, Inc.

The primary purpose of the Salisbury Square Project is to provide affordable and attractive home ownership opportunities in downtown Randolph, supporting local employers and businesses, and contributing to Downtown vitality. The development will remediate and revitalize an old industrial site in a predominantly residential neighborhood and will incorporate smart growth and green building and design principles.

RACDC has completed Phase I and Phase II Environmental Assessments and an extensive Project Feasibility Study, and has acquired the site from Ethan Allen, Inc. The studies were funded by EPA, through Two Rivers-Ottawaquechee Regional Commission (\$50,000) and VHCB (\$45,800), respectively. A VHFA Ventures Fund Loan assisted in site acquisition. Future project steps include Site Clearance and Remediation, Permitting and Design, Development, and Sales.

EDA Investment Criteria

Be market-based and results-driven: A high priority for the Randolph area is to develop affordable workforce housing that supports the economic expansion of the area.

Have strong organizational leadership: The Randolph Area Community Development Corporation (RACDC) and the Town of Randolph have long histories in completing successful and complicated development endeavors.

Advance productivity, innovation and entrepreneurship: Assessing and cleaning up a brownfields site and turning the reclaimed property into workforce housing exhibits these qualities.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: The local and regional economy will not advance if the dedicated workforce in the area cannot find safe and affordable housing choices.

Demonstrate a high degree of commitment by exhibiting: The project has assembled an impressive team of private, public and non-profit partners for technical assistance as well as financing the project.

Southern Vermont Recreation Center

The Southern Vermont Recreation Center Foundation is completing the first of what's projected to be a three-phase project to build a regional recreation center. The Swim Center is near completion and will contain a competition-size swimming pool as well as childrens' pool and therapy pool.

The 2nd phase is expected to be a Galleria, connecting the Swim Center to the historic former Foundry building, who's heritage dates back to the 1810's. The final phase will be the renovation and restoration of the Foundry, incorporating an elevated walking-track, gymnasium space as well as exercise facilities and community meeting rooms. When completed, the Center is expected to be a 44,000 square foot facility. The total cost is estimated at \$8.6 million.

EDA Investment Criteria

Be market-based and results-driven: The Rec. Center will be the result of over \$4 million in private-sector investment into a gateway property on one of the community's most important economic areas.

Have strong organizational leadership: Over 150 volunteers have contributed services, material and labor to this community effort. The Foundation's board is comprised of several leaders of the business community.

Windsor Technology Collaborative Center (Rails to the Riverfront project)

Research, development, manufacturing center and small business support center to be located within the R2R revitalization site in downtown Windsor. Involves revitalization of downtown property and buildings into a center for precision manufacturing as well as a new Technology Center, connecting with nanotechnology research and production.

EDA Investment Criteria

Be market-based and results-driven: Seldon Laboratories LLC, the Center for Precision Manufacturing and the Windsor Technology Park have combined technology laboratories that are among the most sophisticated in Northern New England outside of a university. They are very interested in sharing those resources in support of research and development in nanotechnology and precision engineering.

Advance productivity, innovation, and entrepreneurship: This Collaborative will be built around a new and merging technologies. Southern Windsor County has lost thousands of machine tool jobs in the last 20 years and this new technology will replace those jobs with ones that are not immediately going overseas. The applications of nanotechnology and the new generation of precision manufacturing are so great and diverse that by definition they provide the opportunity to diversify the local and regional economy.

Look beyond the immediate economic horizon, anticipate economic changes, and diversify the local and regional economy: The site includes over 250,000 square feet of prime manufacturing space and has the potential of once more having 1,000 high paying jobs in Windsor. While the nanotechnology company is working on purification of fluids, including water, jet fuel and air, Center of Precision Manufacturing, planned as a Department of Defense-funded project that will focus on leveraging local and national resources to advance the state-of-the-art in precision manufacturing on all scales: macro (dimensions of feet to hundreds of feet), meso (maximum dimensions of several inches to several feet) and micro (dimensions on the order of a human hair). Seldon Technologies and the Center for Precision Manufacturing are both recipients of significant Department of Defense funding support. They are interested in leveraging that support to create and spin off new high technology companies in Southern Windsor County.

APPENDIX D: KEY INDUSTRY ANALYSIS SUMMARY

East Central Vermont CEDS Key Industry Analysis

Executive Summary

- The East Central Vermont CEDS Region's economy was analyzed to determine the key regional industries. Key regional industries are defined as an industry located in the region that meets all three of the following criteria: 1. Sells its products or services primarily in markets located outside of the subject region and, 2. Demonstrates a significant presence as measured by historic employment levels and, 3. Pays wages at or above levels equal to the average in that region.
- Key industries are examined because these industries are responsible for attracting the economic resources that improve the quality of life and well being of the region's citizens, that are the economic drivers of a regional economy, therefore are critical to the economic viability of the region.
- Fifteen industry sectors as categorized by the Standard Industrial Classification Code system were identified and then arranged into functional groupings. The functional groupings of the key regional industries identified are: Specialty Food Products, Publishing, Natural Resource Based Manufactured Products, Engineered Products and Design Support, Traditional Machine Tools, High Value-Added Professional, Scientific and Engineering Services, Destination Family Resort and Recreation, Medical Services, Educational Services, Consumer Durables Manufacturing.
- The key regional industries were further characterized by the historic employment and wage performance relative to the region and the nation. Only 4 of the 15 [Furniture Products, Printing & Publishing, Rubber & Plastics, Educational Services] industries fell into the highest positive category while 9 of the key industries fell into the categories with the most negative qualities [Specialty Food Products, Business Services, Lumber Products, Metalworking Machinery, Fabricated Metal Products, Stone, Clay & Glass, Electronic Equipment, Primary Metal Products, Instruments]. This demonstrates that the majority of the economic drivers of the Area are experiencing some sort of economic stress.
- Concurrently, examination of the Area's key industries as compared to the State's strategic industries [the State's economic drivers], show that all but 3 of the area's key industries are also state strategic industries, Furniture Products, Printing and Publishing, and Primary Metal Products.
- However, only 3 of the State's strategic industries are showing signs of positive economic growth, however, these 3 industries in the Area are showing signs of stress [Engineering & Management Services, Hospitals & Medical Services, Lumber Products].

- All the key industries purchase over 50% of their locally purchased inputs from only 6 other industry sectors or less. The majority of those sectors are services such as transportation, wholesale distribution and electricity. This implies that the Area's key industries have limited choices for suppliers of their inputs in the local region, and that the local inputs they do purchase tend not to support the highest quality jobs.
- All of the industry sectors are facing national and global trends that affect their ability to compete in the market place, above and beyond the factors that can be controlled by local policy. Some of the major global and national trends are the current economic recession, which has placed constraints on consumer's ability to purchase consumer goods. Foreign competition has placed major constraints on the capital equipment industry as well as on the lumber industry. U.S. firms are finding it very hard to compete with the Asian labor costs.
- Strategies to enhance the competitiveness of the Area's current key industries, along with strategies designed to encourage the next batch of key industries will be critical to ensuring economic viability.