

Community and Economic Development Office

By Kimberly Murray, AICP, Director

In fiscal year 2011, the Colchester economy held steady and vacancy rates have been better than other parts of Chittenden County. The number of businesses in 2010 has declined 1.9% from 2009 to 568 businesses but the number of jobs has increased 1% to 8,689 jobs. The average wage in Colchester is \$43,386 up 1% from 2009 (Source: Covered Employment & Wages, Vermont Department of Labor Economic & Labor Market Information.)

Mission Statement: To provide leadership to create community and economic development that is sustainable and competitive globally and to be proactive in maintaining and enhancing the economic viability of Colchester through education, partnerships, innovation and strategic action.

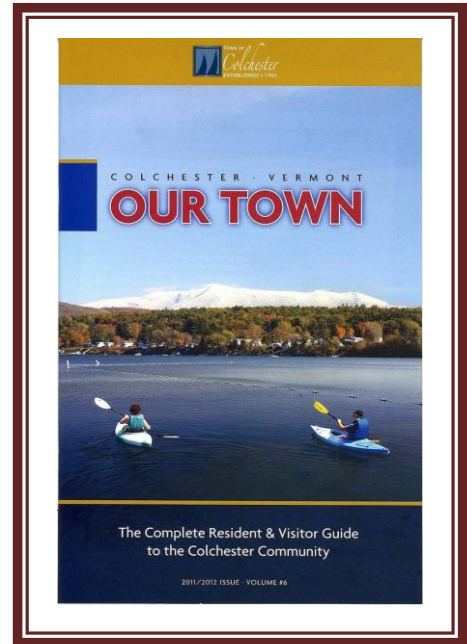
In September 2011 the Town secured a positive vote from the Vermont Economic Progress Council (VEPC) for its Tax Increment Financing (TIF) District for the Town's State designated Growth Center at Severance Corners enabling the Town the ability to pay for the necessary public improvements to help stimulate the development over the next 20 years of housing and job opportunities. To activate the TIF District, the Town needs to receive approval from VEPC for its TIF Financing Plan and secure voter approval on the total debt ceiling. Public improvements include expanding the intersection as it is currently experiencing significant congestion during the morning and evening commuting periods. Traffic is expected to increase even without the development at Severance Corners. Multi-use paths and sidewalks are needed along the arterial roadways through the Growth Center to allow safe pedestrian travel through and within the Growth Center. There is also insufficient water storage capacity at Severance Corners.

A TIF District is a local financing tool used to provide revenues beyond normal municipal revenue sources for infrastructure improvements that serve a defined municipal district which will stimulate development or redevelopment within the District, provide for employment opportunities, improve and broaden the tax base, and enhance the general economic vitality of the municipality, the region, or the state (*See 24 VSA §1893*). TIFs allows municipalities to finance public infrastructure improvements that support private development, by earmarking future property tax revenues generated within a designated district to finance those improvements. As development occurs in the District, total property value increases. The property tax revenues generated by that new development is the "tax increment," which is used to pay the debt service on the public improvements. Both the municipal *and* education property tax increments are available to service TIF debt – thus, the use of TIF as an economic development tool creates significant new revenues for the Town to fund public infrastructure. When the District ends (usually twenty years), all property taxes are once again collected by the Town and State education fund, just like before but now there is a significantly higher total property value.

One of the projects completed this year was an updated and expanded edition of the forty page "Our Town –The Complete Resident and Visitor Guide to the Colchester Community." <http://colchestervt.gov/CommEconomicDev/Tourismbrochures/OurTown.pdf>. This office received a great deal of positive feedback about it being a helpful community guide to Town citizens and a tourism guide for visitors. It includes photos and information about Colchester and advertisements from local merchants. The Town printed 12,000 copies and mailed one to

every residence and business in Colchester. They are available in the welcome centers on I-89 and the Lake Champlain Regional Chamber of Commerce tourism locations in downtown Burlington. It is also available online from the Community and Economic Development website. People are also free to stop by Town Hall to pick up some for their business. Area businesses and schools have used them for new students and employees.

This office continues to work with area businesses and property owners to retain or expand their business and we are always proactively approaching new value added businesses to expand Colchester's economy. The Town continues to work with area property owners and developers at Exit 16 to market their property and recruit new business. This office is also a catalyst for Town staff on pursuing long term infrastructure needs to meet economic growth needs in the future, including transportation capacity, fiber optic cable, and wastewater capacity at our growth centers. This office also supports the efforts of the citizen led Heritage Project visioning process for our Town.



The Community and Economic Development Advisory Council (CEDAC) has been busy this past year educating themselves on Tax Increment Financing Districts and had several interesting presentations and speakers including the Colchester Fire District No. 2 Wastewater Collection System Project; the Blue Ribbon Tax Structure Commission's findings; the annual Legislative breakfast in December; Steve Cook, Deputy Commissioner of the Vermont Department of Tourism and Marketing; and Laurence Miller, Secretary of the Agency of Commerce and Community Development. The CEDAC also held two meetings with the Colchester Community Development Corporation (CCDC) to discuss their common goals and how they can work together in the future. We would like to thank three founding members of CEDAC for their hard work, dedication, and enthusiasm these past four years serving the Town: Deborah Winters, Nanci Glindmyer, and Joseph Egan. We thank James Ehlers for his service as Chair for the past year.

We still offer our Partnership Fund, a revolving loan fund for businesses in Colchester of up to \$50,000 and \$25,000 as a revolving line of credit, now administered through Community Capital of Vermont www.cvcapital.org.

How can this office best serve you and/or your business? Anything you would like to learn more about? Feel free to give us a call 264-5508 or email at: kmurray@colchestervt.gov with any comments or questions you may have.

