

Colchester, Vermont

Economic Development Action Plan

Adopted by the Colchester Select Board

June 25, 2013

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Economic Development Action Plan

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Colchester, Vermont

Economic Development Action Plan

Introduction

As the fourth largest population center in Vermont, and located just north of Burlington, the state's largest city, the Town of Colchester is a community that both provides economic development opportunities for its residents and businesses and has economic development needs because of its growing population.

Located in Chittenden County, Colchester is part of a region for which an Economic Development Action Plan ("The ECOS Project: A Sustainable Future for Chittenden County") is being prepared under a Sustainable Communities grant from the U.S. Department of Housing and Urban Development. Within the context of this county level plan, and as an add-on to the Sustainable Communities planning effort, the Town of Colchester retained the services of Garnet Consulting Services, Inc. to prepare an Economic Development Action Plan customized to allow the Town to:

- Capitalize on its marketable strengths and identifiable opportunities
- Identify community weaknesses, obstacles and impediments impacting the Town's economic development potential and craft responses to increase competitiveness
- Identify trends, issues and conditions that will shape Colchester's economic development future
- Identify the strongest business development sectors, clusters or operational types with an emphasis on value-added businesses.

This Action Plan is envisioned as a "Ten Year Economic Development Opportunities Portfolio." It will provide policy direction for the Town's Select Board; function as the economic development element of the Colchester Town Plan 2012; provide a background document for use during Act 250 hearings; and provide the strategy and tactics for growing the Town's economic base and demonstrating its positive business climate.

In initiating the process of creating this Economic Development Action Plan, the Town identified the following goals:

1. Support opportunities for improving the competitiveness and profitability of existing businesses.
2. Advance the formation of new businesses and expansion of existing businesses.
3. Encourage value added businesses and industries to locate in Colchester.
4. Foster the development of physical infrastructure to support future economic development.
5. Maintain the desired quality of life through managed growth.
6. Cultivate a spirit of cooperation between business, government, schools and the community.

In meeting these goals, this Plan provides much more detail on specific Initiatives needed to accomplish the Goals and related tactical details on how to implement the Initiatives.

A related Town project has been the “Heritage Project”, focused on helping the Town develop a broadly shared and clearly articulated ten year vision for the future. Included in the Heritage Project are the following economic development priorities:

- Increase revenue through commercial tax growth;
- Develop a brand identity and marketing plan; and
- Adopt an approach to local economic development in our growth centers that supports our current and future economic drivers, provides the necessary physical and social infrastructure, and leverages our assets and resources.

Colchester’s Grand List and Buildout Analysis

Various Town offices provided information concerning the Town’s Grand List growth, the commercial portion of the Grand List, historical and projected tax rates, and related data. A summary of the residential versus commercial portion of the Town’s Grand List during the 2001 – 2011 period is presented in Table 1.

Table 1
Colchester Grand List Growth, Commercial Portion, and Tax Rate

Year	Total Grand List	Commercial Portion of Grand List	Municipal Tax Rate
2001	\$920,460,641	26.93%	0.6671
2002	\$939,338,461	27.19%	0.7156
2003	\$1,270,519,193	24.53%	0.7346
2004	\$1,290,877,996	24.10%	0.5987
2005	\$1,316,031,450	23.63%	0.6217
2006	\$1,346,198,120	23.69%	0.6555
2007	\$1,370,516,228	23.84%	0.6776
2008	\$1,390,258,349	23.82%	0.7154
2009	\$1,436,238,466	23.58%	0.7330
2010	\$1,425,709,643	24.56%	0.7423
2011	\$2,117,542,327	20.88%	0.7387

Source: Town of Colchester

Table 1 shows that between 2001 and 2010, the Town’s Grand List increased from \$920,460,641 to \$1,425,709,643 (although the 2010 Grand List declined by more than \$10 million from 2009). During the 2001 – 2010 decade, the commercial portion of the Grand List ranged from 23.58% (2009) to 27.19% (2002).

However, because of a reappraisal, while the 2011 Grand List increased to \$2,117,542,327, the commercial portion of the Grand List declined to 20.88%. This commercial portion of the Grand List differs slightly from the comparison of Colchester and surrounding communities prepared by the Chittenden County Regional Planning Commission (CCRPC), which showed Colchester's commercial portion of the Grand List as 21.78% (see Table 5). Nonetheless, in a community like Colchester seeking to reduce the tax burden on residential tax payers, this is obviously heading in the wrong direction.

The municipal tax rate has increased continually from 2004 when it was 0.5987 to 2010 when it hit 0.7423, before declining slightly in 2011 to 0.7387. Because of the 2011 reappraisal, the 2012 tax rate dropped to 0.5370 and then rose to 0.5530 for 2013.

In response to this concern about the Grand List and tax rates, the Town, working with the CCRPC, prepared a detailed Build-out Analysis that attempted to project future growth in Colchester – both residential and commercial – and what that growth would create in additional tax revenue. This is a very important analysis that relates directly to the first priority listed above from the Heritage Project – the increase in tax revenues for the Town from commercial development so as to reduce the tax burden on residential tax payers.

The analysis is too detailed and sophisticated to include in its entirety here. It uses 2010 building square footage and 2012 assessed value as baseline data and projects development out to 2030 using historical growth trends and average value per square foot by neighborhood. It also projects maximum square footage that could be developed in the various neighborhoods of the Town.

Tables 2 and 3 summarize some of the key data on commercial properties. Following Table 3, we offer observations on what we consider to be the most important points.

Table 2
Summary Space Data from Colchester Commercial Buildout Analysis

Neighborhood	2010 Gross Floor Area (SF)	2030 Gross Floor Area (SF)	Total Gross Floor Potential (SF)	Total Growth Potential from 2010 (SF)
Bean/Macrae	6,037	6,037	6,037	0
Clay Point Area	7,800	7,800	7,800	0
Colchester Village	161,964	167,895	398,052	236,088
East Lakeshore Dr. Vicinity	4,461	4,461	4,461	0
Exit 16	2,072,230	2,312,488	4,516,266	2,444,036
Exit 17	156,685	174,851	466,953	310,268
Ft. Ethan Allen	596,704	665,887	1,666,785	1,070,081
Malletts Bay Ave.	2,016	2,016	2,016	0
Marble Island/Malletts Head	9,521	9,521	9,521	0
Northeast Quadrant	38,384	38,384	38,384	0
Porters Point	124,594	139,040	140,097	15,503

Prim Rd./Warner's Corner/Heineberg Dr.	189,243	211,184	395,362	206,119
Severance Corner Growth Center	20,855	200,815	574,168	553,313
Severance Road	0	1,272	1,272	1,272
Shipman Hill	14,882	16,607	278,403	263,521
Town Services Center	247,211	275,873	280,185	32,974
West Lakeshore Dr.	79,385	88,589	799,494	720,109
Total	3,731,972	4,322,720	9,585,256	5,853,284

Source: CCRPC data analyzed by Garnet Consulting Services, Inc.

Table 3
Summary Value Data from Colchester Commercial Buildout Analysis

Neighborhood	2012 Total Assessed Value	2030 Total Assessed Value	2012 – 2030 Increase in Assessed Value
Bean/Macrae	\$408,700	\$408,700	\$0
Clay Point Area	\$420,800	\$420,800	\$0
Colchester Village	\$15,503,400	\$16,131,753	\$628,353
East Lakeshore Dr. Vicinity	\$422,200	\$422,200	\$0
Exit 16	\$123,388,296	\$141,591,364	\$18,203,068
Exit 17	\$7,506,500	\$9,452,098	\$1,945,598
Ft. Ethan Allen	\$69,928,915	\$82,787,788	\$12,858,873
Malletts Bay Ave.	\$593,600	\$593,600	\$0
Marble Island/Malletts Head	\$579,707	\$579,707	\$0
Northeast Quadrant	\$502,500	\$502,500	\$0
Porters Point	\$10,227,600	\$11,522,382	\$1,294,782
Prim Rd./Warner's Corner/Heineberg Dr.	\$14,612,600	\$16,684,784	\$2,072,184
Severance Corner Growth Center	\$2,527,900	\$18,973,890	\$16,445,990
Severance Road	\$334,500	\$334,500	\$0
Shipman Hill	\$298,400	\$324,232	\$25,832
Town Services Center	\$28,483,600	\$31,553,473	\$3,069,873
West Lakeshore Dr.	\$7,706,500	\$9,007,063	\$1,300,563
Total	\$283,445,718	\$341,290,834	\$57,845,116

Source: CCRPC data analyzed by Garnet Consulting Services, Inc.

Here are the most salient points from Tables 2 and 3 (all figures are rounded to the nearest 1,000):

- Colchester has 17 neighborhoods that have some business development. In 2010, these contained 3,732,000 square feet of space. However, 7 of these (Bean/Macrae, Clay Point Area, East Lakeshore Dr. Vicinity, Malletts Bay Ave, Marble Island/Malletts Head, Northeast Quadrant, and Severance Road) are not projected to have any additional business growth

in the future. These seven districts currently contain slightly less than 70,000 square feet, or 1.9% of the total business space in the Town.

- It should be noted that the total square footage above overstates the amount of space actually occupied by taxpaying businesses because it includes space in government buildings, educational institutions, and otherwise tax exempt organizations. On the other hand, the total square footage does not include commercial apartments, which are considered a taxable business use.
- Colchester has substantial growth capacity within its ten existing business districts where more development is expected. CCRPC calculated that the total amount of floor space possible in the Town is about 9,585,000 square feet allowing for future growth of more than 5,853,000 square feet.
- Between 2010 and 2030, the gross floor area of commercial properties will increase by 591,000 square feet, from 3,732,000 square feet to 4,323,000 square feet.
- This development is projected to result in an increase in the assessed value of commercial property from a total of \$283,446,000 in 2012 to \$341,291,000 in 2030, an increase of approximately \$57,845,000. Per square foot values used in the calculations are from 2010 with no attempt to estimate increases over time. Therefore, the 2030 assessed values and the increase in assessed value between 2012 and 2030 shown in Table 3 are low.
- \$1 million in assessed value results in an increase in the Grand List of \$10,000.
- At the current municipal tax rate of \$0.5530, that \$1 million in new assessed value generates \$5,530 in new tax revenue.
- Based on the historical trending of the Town's operating budget provided by the Town Manager's office (not including educational costs), and the combined growth in the Grand List from both residential and commercial properties from the Buildout Analysis, the municipal tax rate is projected to increase from its current level (\$0.5530) to \$0.5903 in 2015, \$0.6848 in 2020, \$0.7839 in 2025, and \$0.8775 in 2030.

The bottom line here is two-fold:

1. Under Colchester's property tax system, it takes a massive amount of new investment to generate a significant increase in tax revenues.
2. The sooner Colchester can start stimulating that new commercial development, the better off it will be in terms of property taxes paid by residents. Hence, the importance of this Economic Development Action Plan.

Some Important Caveats

Economic development rarely happens for free. Communities that want it make an investment to get it – the return on that investment.

Investing in Infrastructure

While Colchester has the potential for substantial new development, not all this area meets the test of being “shovel-ready” – that is, fully served with necessary utilities, telecommunications services, and access roads. Waiting for private land owners to upgrade these services where necessary usually results in exactly that – waiting for something to happen. Communities can make themselves more competitive by investing in necessary infrastructure improvements, recognizing that this will lead to more rapid development and therefore increased tax revenues in a shorter timeframe.

A second benefit to community support of development by assisting with necessary infrastructure is that the property owner does not need to recoup the costs of the infrastructure, thereby allowing the land to be priced lower, making it and the host community more competitive.

Staff Capacity

Another possible impediment to Colchester’s economic development future is a reliance on already over-committed staff and volunteer boards to carry out the work. While this reduces expenses, it also reduces the capability of meeting all the day-to-day responsibilities of running an aggressive and professional economic development program. Colchester would be wise to restaff its Community and Economic Development Department to handle the implementation of this Action Plan and the related Heritage Project.

Current Competitive Realities in Economic Development

As part of identifying the economic development potentials and needs of Colchester, and carrying out a program that capitalizes on your potentials and meets your needs, it is necessary to understand the broader context in which current economic development occurs. Economic development is a continually evolving process and discipline. How it occurs today is much different than how it occurred as recently as five years ago. Even more perplexing, there is a growing recognition that how the economic development business operates in an unknown future is likely to be very different from today. Community leaders and residents must understand these competitive realities.

Within that context, it is important to understand some of the key philosophies and trends upon which modern economic development is dependent:

Economic Development Is Extremely Competitive

Conway Data Inc.'s New Corporate Facilities and Expansions Database reports that nationwide in 2012, there were 5,580 project announcements (new construction and expansions for manufacturing, distribution, offices, R&D, and mixed-use facilities) that met any of 3 tests: an investment of at least \$1 million; 50 or more employees; or a facility of 20,000 square feet or larger. The 2012 activity was the third year in a row with an increase from the prior year (there were 4,978 projects in 2011; 4,623 in 2010; and 4,345 in 2009. However, the 2012 level is still but was 55% below 2000 when there were 12,529 such announcements.

Activity in Vermont since 2000 has been:

Table 4
Conway Data Vermont Project Activity; 2000 - 2011

Year	Manufacturing		Other	Total
	New	Expanded		
2000	0	1	0	1
2001	1	0	1	2
2002	0	9	0	9
2003	0	2	1	3
2004	1	0	2	3
2005	0	0	0	0
2006	1	2	1	4
2007	0	4	0	4
2008	1	0	0	1
2009	6	5	1	12
2010	5	4	3	12
2011	1	1	1	3
2012	2	6	0	8
Total	18	34	10	62

Over this 123 year period, Vermont has claimed only .07% of the total 83,862 projects in the United States. Colchester is fortunate to be in the part of the state that is the dominant economic region.

There are an estimated 15,000 – 18,000 economic development organizations in the United States competing for these projects. In other words, in the United States alone, there are at least 3 to 4 times as many economic development agencies as there are new projects of

substantial size announced annually. Many of these locations have one or more master-planned business parks intended to attract those projects.

The competition to attract the capital investment and jobs brought by business locations is fierce. A focus on attracting big projects is foolish.

Avoiding Elimination

Due to the abundance of locational opportunities, the site selection process relies on an initial phase that emphasizes rapid elimination of regions and communities so as to reduce to a workable number the areas to be studied in detail. Companies in a search mode begin by evaluating regions; if they like a region, they will consider the individual communities in it. Therefore it is important that all communities be active allies with their regional economic development agency.

Even the smallest regional or community flaw can result in elimination. Critical regional and community attributes currently are:

- Essential community/regional data available from an easily navigable website and the ability to quickly produce customized reports
- Adequate labor supplies and skills
- An inventory of "ready-to-go", available, fully serviced sites and buildings
- A friendly business climate and expedited permit and approval procedures
- Incentives and assistance programs
- A business climate that shows the community is seriously interested in the project.

There are many other variables evaluated, and different industry sectors and companies will have their own set of priorities, but those listed above are usually the most important to most companies. Colchester is currently at a disadvantage in having a limited inventory of available buildings and "shovel-ready sites."

This is not just a business recruitment factor – companies already in a community, but in need of new space, will also consider these and other factors, and compare their current community with alternative locations.

Speed Has Become Essential

The duration of the typical site location process has been cut in half from 5 – 10 years ago. Site selection consultants report that the typical time frame for larger projects now allows 6 to 8 weeks from the beginning of the process to the selection of the "preferred" community, and another 6 to 8 weeks to have a site under control. These companies would like to receive all local permits and approvals within a 14 day time frame (with 7 days preferred) and all state

permits and approvals within a 45 day period (30 days is preferred). Smaller companies may have longer time frames, but delay is still a project killer.

Vermont's statutory requirements make the entire state less competitive than other states with the ability to expedite the permit and approval process. Nonetheless, communities like Colchester are competing with places that can meet these processing speeds and must do what they can to overcome this problem.

Staff Empowerment to Expedite Projects and Site Readiness Programs

Due to this need for expeditious project processing, an increasing number of communities are responding by creating clear land use regulations and empowering staff to issue necessary permits and approvals for projects found to be in full compliance with regulations after careful staff review. Other places are implementing "self-certification" procedures where qualified architects and engineers can certify that plans meet all local requirements.

While the ability to do things like this is severely limited in Vermont, nonetheless, competitive communities are constantly evaluating their project approval procedures in order to streamline them. Other approaches worth considering are undertaking the pre-permitting of sites without a specific project in hand, or having sites certified as "Shovel-Ready", a tool that is now available in 24 states with others like Connecticut working to establish such a program.

Available Sites and Buildings are Essential

Between 65% and 75% of all prospects conducting a site search begin looking for an existing building into which they can move quickly. In most states, about 50 - 60% of projects that actually occur use existing buildings, and that is even higher in many places right now that have an abundance of vacant, modern buildings. Again, this is a function of the need for speed. This puts a premium on having available both vacant space and fully serviced and appropriately zoned sites on which construction can begin immediately and be completed in a short time frame. The majority of companies are unwilling to wait for a community or private land owner to debate whether to help make a site ready, prepare designs, commit financing, and undertake infrastructure design, permitting, and construction. There are too many other communities already fully prepared. If you are not ready, you lose. As already noted, Colchester is at a disadvantage here, but has the land available to host future economic growth if that land meets the "ready-to-go" test.

You Must Be Aggressive

For some time now we have been in an era of a "global investment and jobs auction". Companies have jobs to offer (and the capital investment and tax revenues that come with them) and can put them in a multitude of locations. Colchester competes not only with neighboring communities, but with locations in other states, and places such as Barbados, Mexico and India as well. It is a buyers' market, and communities are both the sellers and the

commodity being sold. Having an adequate inventory of available buildings and sites and an effective website targeted at business prospects are two common community responses. Increasingly, communities are also creating aggressive incentive and assistance packages and comprehensive informational databases in order to increase community competitiveness. The work is being done before the prospect arrives – not after.

Small Business Start-ups and Home Occupations are Very Important

According to the Kauffman Index of Entrepreneurial Activity, in 2011 an average of 0.32% of adults created a new business each month. This equates to about 543,000 new businesses (operating 12 hours per week or more) each month, which equals 6,516,000± new businesses per year, or approximately 1 new business per 48 people. If Colchester's entrepreneurial activity equals this national average, it would mean approximately 367 new businesses being created in the Town each year. These businesses will need a good location from which to operate.

Initially, many new businesses, particularly those that are less than full-time, operate from the home of the entrepreneur. A trend first noted in 1997 found that more than half of new businesses were home-based. A report prepared for the Small Business Administration in 2004 found that as many as 68% of new proprietorships, partnerships and S-Corporations were home-based. This trend, which has continued, makes the availability of reasonable home occupation regulations important for Colchester. Regulations should include a registration process to assure that the host community receives applicable tax revenues. This trend has also led to a growth in "incubator without walls" programs aimed at helping new businesses survive and succeed.

The Changing Nature of Retailing

Colchester has been one of Vermont's major retail areas, but retailing as we have known it continues to change. Many communities are experiencing a decline in the vitality of older shopping areas. Communities are being impacted by many regional and national trends, which have been exacerbated by the recent recession and lingering aftereffects:

- Overbuilding of retail space has resulted in increased retail competition, retailer bankruptcies and increased vacancy rates. According to the 2007 Economic Census, there were 1,122,703 retail establishments in the United States and a total of 14.2 billion square feet of retail space. That means that at that time, there were approximately 46.6 square feet of retail space per capita in the U.S.
- According to retail specialists DANTH, Inc.(October 2012):
 - Occupied retail space in the U.S. decreased by 259 million SF between 2001 and 2011 and is expected to drop by another 210 million SF by 2016 (source: Macquarie Capital Inc.).
 - Retailers are opening fewer stores, with less space, and looking for the least risky locations.

- There is bifurcation occurring among retailers with those at the top end and the value retailers doing best, while middle market specialty retail chains and independents are disappearing.
- There have been a significant number of closures of enclosed malls, with about one-third of those left in difficulty and at risk of closure or re-purposing.
- Consumers have become much more deliberate in their purchasing, focusing on “need-to-have” rather than “want-to-have” and using their credit cards much less.
- Catalog and Internet shopping are reducing sales in traditional retail establishments; while e-shopping still accounts for only a small fraction of total retail sales, it is growing (see the next section for additional discussion).
- Big box and category killer stores continue to increase their market share of GAFO (General Merchandise, Apparel and Accessories, Furniture and Other) sales, causing closures and bankruptcies among local stores and smaller store chains that cannot match their prices and promotional budgets. This has resulted in fewer tenants for shopping centers and more competition for those fewer tenants.
- Bankruptcies and closures within the big box category (e.g. in the past, Kmart, Caldors, Ames; more recently Borders, Linens ‘n Things, Circuit City, Filene’s Basement) have created large blocks of vacant space that are being used for non-retail purposes. Call centers are a common use, but this space also lends itself to other uses. (Two former Kmart stores in Lee County, Florida were purchased by the County for conversion into schools. A 2008 article in the International Economic Development Council’s *Economic Development Now* newsletter discussed the conversion of under-performing malls into medical malls in Prince George’s County, Maryland and other places.)
- Beginning in the early 2000s, big box developers such as Home Depot, Walmart and Best Buy began experimenting with smaller stores (15,000 – 50,000 square feet) for smaller population centers with other chains expected to follow the trend over time.
- Retail establishments are seeking to cluster in larger, master-planned and coordinated environments to draw larger numbers of shoppers and then pass them among multiple stores. Lifestyle centers (defined as “an open-air design with upscale architecture, vibrant public spaces and a critical mass of specialty retailers, cinemas and restaurants” are generating between 20 – 50% more per square foot than stores in older U.S. malls. (*CNN/Money*, January 12, 2005; DANTH, Inc. April 2010)
- Entertainment retailing, intended to give shoppers an experience beyond just the purchase of goods, is growing.
- Grocery stores are expanding in size and drugstores are moving toward larger freestanding stores, often including significant space for groceries. Walmart is establishing freestanding 42,000 square foot Neighborhood Markets by Walmart partly to counter the U.S. arrival of British grocer Tesco (the third largest global retailer). The new locations are described as convenience stores that fill the gap between Walmart Discount Stores and Supercenters, offering full lines of groceries, pharmaceuticals, health and beauty aids, photo developing

services, and a limited selection on general merchandise. There are now more than 220 Neighborhood Markets, up from 151 in 2010, with aggressive expansion underway.

- Prior to the recent recession, chain restaurants were proliferating, causing more competition for local restaurants. However, the recession resulted in many bankruptcies in the chain restaurant sector (e.g., ARG Enterprises, Buffets Holdings, Metromedia Restaurant Group).

E-Commerce is Changing the Need for Space

The Internet is now involved in 45% of retail sales, sometimes as the method of purchase, and often as preliminary research before deciding what to buy and from whom. A common fear is that the expansion of electronic commerce will cause a significant reduction in the demand for space. While this may be true at the retail end of the chain as more people buy more goods without visiting a store, the opposite is occurring at the distribution end. More e-commerce vendors are requiring increasing amounts of order fulfillment space, scattered in a variety of locations. Many of these facilities do not need high bay space for racking systems – rather, they need large footprint space with sophisticated conveyor, sorting, and shipping systems. Many older, low ceiling manufacturing or retail buildings are ideal for conversion into this type of use. E-commerce fulfillment facilities also frequently employ more workers than traditional distribution warehouses, although not necessarily at high wages. The current state of e-commerce is one of rapid change, and perhaps turmoil.

Trends Impacting Space Needs and Facility Locations

- The emergence of strong employment areas in other countries will continue to have an impact on the amount of space U.S. companies need. Offshoring has impacted many types of jobs including those in technology, financial services, engineering, programming, accounting and many other fields.
- Other companies are reducing costs by setting their workers up in home offices. Both of these trends are resulting in a declining need for new construction and increasing vacancies in existing space. These and similar trends are currently being exacerbated by the continuing weak US economy. Communities like Colchester in need of additional tax revenues from new commercial construction are being hurt by reduced company needs for space.
- The weakness of the dollar has encouraged “in-sourcing” – the attraction of foreign investment for facilities (and employment) in the United States.
- Customer service dissatisfaction with overseas call centers and similar operations has caused firms like Dell Computers, AT&T and Delta Airlines to rethink the cost-benefit relationship of moving these operations overseas resulting in “back-shoring” or “reshoring”.
- Higher fuel prices are changing the perceived ideal proximity among suppliers, producers, distributors, customers and labor supply.

Education is Needed to Overcome Community Concerns

Colchester's residents are rightfully concerned about the future appearance of their community, but may be overly cautious in envisioning what is acceptable. Frequently, community hesitation to committing to more economic development is a reflection of a deserved dissatisfaction with the negative consequences of older projects. Modern business facilities are vastly different from their predecessors. Architectural design, building code requirements and performance standards all aim at making business buildings and operations more attractive and better neighbors. Community education is often a necessity to demonstrate that these kinds of negatives are no longer likely under the community's current regulations, policies and procedures, and that the country is full of examples of high quality business buildings that are good neighbors and don't detract from the community character.

Think—and Behave—Entrepreneurially

Economic development is one of the few areas of community expenditure where a return-on-investment can – and should – be expected. This relates directly to one of the caveats noted in the prior section. Across the country, communities like Colchester are increasingly thinking and behaving entrepreneurially. They are willing to make strategic investments in projects or the community infrastructure necessary to obtain and support company expansions and locations, with the calculated expectation that this investment will reap the jobs, tax base and quality of life improvements the community desires. Increasingly, communities are investing in projects located outside their boundaries and being compensated like private developers. Often these projects are joint ventures by multiple governmental units, such as FirstPark, a business park in Maine being developed by 24 communities in partnership with each other.

Community Preparation is Paramount

In the world of economic development, Colchester and the Chittenden County region are commodities. Companies select locations based on how well the location meets the company's needs – not based just on how aggressive and sophisticated the area's marketing program is. While a thrust of Colchester's economic development program may be to position the community for an aggressive marketing effort, community leadership and residents must recognize that the community is a product in a highly competitive marketplace, and you must constantly strive to make necessary product improvements. Some of these improvements will be physical in nature; some will be procedural; and some will require additional planning.

Community Image and Attitude Can Make or Break You

Every resident of Colchester is an important member of the community's marketing team, particularly business executives already in the Town. A 2011 survey by Development Counsellors International (DCI – New York, NY) reported that corporate executives use dialogue

with industry peers (50%), and articles in newspapers and magazines (46%) as the leading sources of information influencing their perception of an area's business climate. (These same factors have consistently ranked as the top 2 in earlier DCI surveys conducted every three years since 1996.) A positive image and attitude can be an important marketing tool – a negative image and attitude can be a huge obstacle. Understanding how businesspeople in Colchester or nearby feel about it as a location for business must be an essential – and ongoing – element of your economic development preparation and marketing efforts.

Competitive Assessment

Introduction

This portion of the Economic Development Action Plan for the Town of Colchester, Vermont provides an assessment of the Town's competitive position as seen through the eyes of economic development and real estate specialists with experience in assessing communities as a "product" in the economic development marketplace. The factors evaluated are those most typically considered by companies that are seeking a new location, or those comparing their current location with alternatives.

The opinions presented here were developed through a combination of several research methods, including:

- Familiarity with the region developed through a detailed Competitive Assessment prepared as part of the ECOS Sustainable Communities project being conducted for the Chittenden County Regional Planning Commission (CCRPC)
- Multiple visits to Colchester, including a guided tour through the Town
- Review of many documents provided by the Town
- Preparation of a detailed Statistical Profile (see Appendix A)
- The results of an Employers Survey distributed to 70 companies; 28 companies responded, for a response rate of 40% (see Appendix B)
- Interviews or group meetings with 67 individuals from Town Government, local businesses, or others considered to be stakeholders and valuable information sources
- Facilitation of a Community Input Meeting
- A presentation at a meeting of the Colchester Rotary

In total, we estimate that we had direct contact with approximately 95 Colchester residents, business executives, and community leaders.

Colchester's Changing Economic Base

Colchester has a long history of a variety of forms of economic development grounded in agriculture, manufacturing, quarrying, maritime trade, and retail and service establishments. The town's former urban core of Winooski was the primary population center and a hub of

industrialization with woolen mills located along the Winooski River. In 1922, Winooski separated from the rest of Colchester, removing two-thirds of the Town's population and its industrial core, returning Colchester to an agrarian economic foundation. Colchester remained a predominantly agricultural and suburban bedroom community well into the 1980s.

Because of its lakefront location, Colchester developed a significant summer seasonal cottage community and tourism industry in the mid-twentieth century, with several marinas along the waterfront. Many of the seasonal cottages have now been converted to year-round use, reducing the tourism potential at Malletts Bay, although the marinas still draw a significant number of Canadian and other boaters.

The construction of Interstate 89 in the 1960s, and in particular, subsequent development around Exit 16 created a significant commercial and industrial center in the southern portion of the town. Colchester now offers a wide variety of job opportunities in many types of business sectors including manufacturing, office, service, retail, and tourism/hospitality. The Town's residents are largely employed in six occupational categories: Office/Administrative Support, Sales Related, Management (including Farmers and Farm Management), Food Preparation/Serving Related, Healthcare Practitioner/Technician, and Education/Training/Library. These categories account for nearly 60% of the total occupational base of the Town's residents.

Unfortunately, no data source was found that provides a breakdown of the types of jobs actually located in the town. Colchester's Planning and Zoning office is currently compiling a database of Colchester businesses. There will be approximately 600 businesses in the database, representing a broad cross-section of NAICS (North American Industrial Classification System) codes in the business sectors mentioned in the preceding paragraph, and perhaps others. This diversity and balance within the Town's economic and occupational base provides a solid platform for future economic stability and sustainability.

The Town's current economic base would be considered desirable by many communities. However, compared with some of its neighbors in the County, Colchester lags behind in terms of the business portion of its Grand List. Table 5 provides comparative information calculated by the Chittenden County Regional Planning Commission.

Table 5

Business Portion of 2011 Municipal Grand Lists Selected Chittenden County Communities			
Community	Municipal List Value (MALV)		Business % of MALV (Before Equalization)
	Total	Business Portion*	
Williston	\$1,619,067,293	\$ 628,760,228	38.83%
South Burlington	\$2,755,760,560	\$ 874,519,700	31.73%
Burlington	\$3,421,887,400	\$1,022,136,000	29.87%
Winooski	\$ 510,979,020	\$ 151,913,900	29.73%
Essex Jct.	\$1,033,988,800	\$ 252,738,000	24.44%
Colchester	\$1,956,161,153	\$ 426,061,033	21.78%
Shelburne	\$1,433,837,512	\$ 259,498,745	18.10%
Essex Town	\$1,307,866,900	\$ 230,297,000	17.61%
Milton	\$1,084,784,535	\$ 190,926,513	17.60%
*Note: Business portion is the sum of commercial property, commercial apartments, industrial property, utilities-electric, utilities-other, and farms.			

Source: Chittenden County Regional Planning Commission from Vermont Department of Taxes, Division of Property Valuation and Review, 2011 Equalization Study / FY 2012 Annual Report

Colchester's Position in the Regional Economic Context

Colchester plays a variety of roles in the Chittenden County economy.

The Town is one of the major retail areas in Vermont. As shown in Table 6, it consistently ranks among the top five communities in Vermont in terms of annual retail sales receipts. (Note: we were unable to find an explanation as to why the retail tax receipts in 2008 were substantially higher than in 2009 for most Vermont communities.)

Table 6

Top Five Vermont Communities for Retail Sales Receipts				
	CY 2011	CY 2010	CY 2009	CY 2008
Williston	\$376,921,799	\$350,860,348	\$352,290,342	\$389,550,454
South Burlington	\$325,417,608	\$314,045,944	\$302,855,495	\$343,503,099
Rutland City	\$245,726,440	\$232,366,768	\$224,662,098	\$240,476,477
Burlington	\$224,055,093	\$210,782,210	\$208,858,778	\$214,357,068
Colchester	\$214,184,985	\$205,522,664	\$200,086,524	\$262,063,338

Source: Vermont Department of Taxation

As shown in Table 7, Colchester does not rank as high in Meals, Rooms and Alcohol Sales, typically ranking 10th in the state in this category. The impacts of ski areas can be seen in receipts for meals, rooms and alcohol in Stowe and Manchester, with Killington ranked 7th.

Increased opportunities for tourists and business visitors in hotels and restaurants should play a role in Colchester's economic development plans.

Table 7

Top Five Vermont Communities for Combined Meals, Room, and Alcohol Sales Receipts				
	CY 2011	CY 2010	CY 2009	CY 2008
Burlington	126,381,780	118,685,426	110,434,814	112,995,704
South Burlington	114,116,755	112,009,051	110,084,341	111,441,839
Stowe	93,835,657	83,030,926	76,015,133	81,792,487
Rutland City	49,014,549	45,103,417	43,317,195	44,156,976
Manchester	45,331,535	44,002,997	41,267,054	44,341,708
Colchester (10)	32,161,804	29,652,320	29,429,891	29,284,679

Colchester is also a major employment center and provider of workers for regional businesses. As noted earlier, there are approximately 600 businesses of a wide variety of types in the Town. More than 10,000 Colchester residents are in the labor force and working throughout the region in a variety of jobs (see the Employment by Occupation section of the Statistical Profile - Appendix A of this Competitive Assessment). As the population of the Town and region continues to grow, there will be a need for additional jobs and businesses; Colchester is well positioned to obtain some of this economic growth.

Colchester plays an important role in the region's tourism opportunities, although this is an underdeveloped portion of the Town's economy. With 27 miles of shorefront along Lake Champlain, the Town draws many people eager to use or view the lake, but this opportunity can be expanded. Similarly, Colchester's significant agricultural base can be leveraged into a greater agri-tourism program.

Strengths and Weaknesses Summary

Table 8 provides a summary listing of Colchester's primary strengths and weaknesses as a location for business. Items noted in bold were cited by numerous sources. These items were gathered from the research discussed earlier. As will be noted and should be expected, there are differences of opinion on many items, with the same topic sometimes listed as both a strength and weakness. These differences reflect, in part, the variety of perceptions and opinions that exist among the Town's residents. An example is the evaluation of local taxes, which some think are reasonable and others think are too high.

The strengths listed below help to identify community attributes that support business attraction and growth. The weaknesses help to identify community attributes that may require attention in order to improve Colchester's competitiveness.

Table 8
Colchester, VT Strengths and Weaknesses Summary

Strengths	Weaknesses
Location and Access to Markets	
<ul style="list-style-type: none"> ▪ Accessibility and proximity to Burlington, Boston, New York and Canada ▪ Two access points to I-89 -Supports movement of manufactured products and access to a regional workforce ▪ Ability to serve eastern Canada markets 	<ul style="list-style-type: none"> ▪ Significant drive-by traffic on I-89 and local roads with few reasons to stop ▪ Impact of loss of CIRC on future development of Severance Corners and accessibility of Malletts Bay
Transportation	
<ul style="list-style-type: none"> ▪ Planned improvements at Exit 16 ▪ Relatively good airport (both facilities and services) 	<ul style="list-style-type: none"> ▪ No public transportation ▪ Rail freight services and costs ▪ Exit 16 rush hour traffic ▪ Traffic congestion in several locations and times of day ▪ Lack of air service to Boston
Utilities and Telecommunications	
<ul style="list-style-type: none"> ▪ Electric power reliability ▪ Water quality ▪ Natural gas service and costs 	<ul style="list-style-type: none"> ▪ Lack of sewers ▪ Spotty high speed Internet and cellular service, particularly at Malletts Bay and outlying areas ▪ Need for low to moderate cost fiber services for both uploading and downloading ▪ State regulations on using package treatment plants ▪ Lack of public water west of I-89 at Exit 17
Population and Demographics	
<ul style="list-style-type: none"> ▪ Population is well educated, with 94.3% having at least a high school diploma and 35.5% having at least a four year college degree, both well above the national average. ▪ Median household income is higher than the county's income and well above the state and nation's medians. 	<ul style="list-style-type: none"> ▪ Annual population growth rate has decreased since the 1990-2000 decade to almost zero. ▪ Although the Town's median age is lower than the state, county and nation, its population is aging more quickly than the state and county due to declines in the population under 55 years and growth in the number of residents 55 years and over. ▪ While well educated, the Town has a lower ratio of residents with a four year degree than the County average.

Strengths	Weaknesses
Workforce	
<ul style="list-style-type: none"> ▪ Many PhDs in the region ▪ Excellent availability of customer service representatives, and office clerks ▪ Satisfactory to good availability of several skill sets, including bookkeepers, welders, truck drivers, web developers and designers, network and computer system administrators, shipping and receiving clerks) ▪ Basic skills of job applicants are satisfactory to good, especially for team and cooperative skills ▪ Employers have access to graduates from the University of Vermont, and three area colleges offering four year degrees in a variety of disciplines, including engineering and IT. ▪ The area graduates approximately 4,000 students per year. Employers successfully recruit for professional and technical skills among these graduates, and among graduates from other schools within the VT and Upstate NY region. 	<ul style="list-style-type: none"> ▪ Brain drain – local young people move away, and out-of-state students at area colleges and UVM typically do not stay, in part due to the shortage of job opportunities in the area and higher salaries at other locations. ▪ Difficulty in finding technical and trades skills (including programming, electricians, technicians, machine operators, skilled machine trades, experienced engineers) ▪ Competition with other regional companies (e.g. dealer.com, mywebgrocer.com for attracting and keeping IT skills ▪ Difficulty in recruiting from most areas of the country ▪ Surveyed employers reported significant difficulty recruiting young professionals from outside the area, as did employers in a similar Chittenden employer survey in September, 2011. ▪ The local employment base is showing key signs of stress and a weak ability to respond to job expansions among local employers. The unemployment rate is less than half of the national average and the labor participation rate is 11 percentage points higher than the national average. Chittenden County shares this pattern. ▪ Some interviewed employers report difficulties finding employees with good work ethic and basic skills, especially among lower wage occupations, or occupations that are repetitious, dirty or offer other challenges and typically pay less than \$15/hour. Many employers report an “I don’t care” attitude at these levels. However, some employers with starting salaries less than \$15/hour report little problems. ▪ High cost of housing in the area restricts the ability of lower paid workers from having their own housing within a

Strengths	Weaknesses
	<p>reasonable commuting distance.</p> <ul style="list-style-type: none"> ▪ The wages paid in the Town and its labor area are lower for technical skills than the national average and lower than those paid in more urbanized locations. ▪ Employers report difficulty attracting good candidates for technical or professional positions because of the area's lower prevailing wages, unless quality of life issues are of greater importance than salary. ▪ Recruiters from Boston and NY reportedly recruit successfully from the area because of the lower wages. ▪ Several employers complained about the quality of the high school students and their lack of work ethic, personal hygiene, and lack of preparation for employment. ▪ Employers report difficulty working with the public schools to achieve product improvement. ▪ Hiring plans of Colchester employers show indications of more stability than growth. 37% indicate no hiring plans over the next year, while 22% expect to see less than 2% job growth. 4% expect to lay off workers.
Education	
<ul style="list-style-type: none"> ▪ St. Michael's College is good neighbor and active in community affairs ▪ K-12 system seen by some (but not all) as good 	<ul style="list-style-type: none"> ▪ Poor state training programs
Business Climate	
<ul style="list-style-type: none"> ▪ Development procedures have gotten much better, but perception has not caught up ▪ Local officials are easier to work with than State officials ▪ "If you know what the rules are and are willing to play by them, you can get stuff done fairly fast." ▪ Planning office is great to work with ▪ Interviewed employers report the Town is pro-business, that it will work with employers. 	<ul style="list-style-type: none"> ▪ Town officials are perceived as rule enforcers and regulators – not helpful to developers ▪ Lack of relationship between the Town and its businesses ▪ Act 250 requirements make development difficult ▪ Colchester's Design Review Board does not have published design standards – makes the requirements difficult to understand and appear subjective ▪ Town has reputation – it's not what you know – it's who you are ▪ Overall cost of doing business

Strengths	Weaknesses
Taxes	
<ul style="list-style-type: none"> Colchester is better than some towns Tax rate reasonable for services provided Town is pretty efficient in providing services 	<ul style="list-style-type: none"> Too high – especially compared to some other communities in region A concern – the major portion of a triple net lease and Common Area Maintenance charges in Colchester Only 28% of local tax bill actually goes to the Town – rest goes to state TIF District for Severence Corners Growth Center needs to be implemented by town-wide vote
Support Services	
<ul style="list-style-type: none"> Most everything needed can be found in the region Good overnight and package delivery services Good solid waste services 	<ul style="list-style-type: none"> Availability of business assistance programs and incentives
Commercial Real Estate	
<ul style="list-style-type: none"> Approved Growth Center with room for additional development (especially in Phase II) Infill and redevelopment possibilities in Exit 16 area 	<ul style="list-style-type: none"> Lack of larger developable sites for business Impact of topography on sites for larger users Limited available land for business development, in part because much is prime agricultural land Limitations from sand plains and endangered species Strong supply of vacant space in region is competition for Colchester Regional glut of office space – roughly 4 year oversupply Salvage yard near Exit 16 scares other potential users away from the area Cost of buildings for business occupancy Availability and costs of sites for business construction Cost of construction Employers report lease rates that are higher than surrounding towns due to higher property taxes.
Financing & Incentives	
	<ul style="list-style-type: none"> Lack of venture capital Lack of an incentive policy

Strengths	Weaknesses
Public Services/Facilities	
<ul style="list-style-type: none"> Reasonable for tax rate charged Excellent Recreation Department and program 	
Quality of Life	
<ul style="list-style-type: none"> Strong factor – especially the Lake Once here, people like the Town Access to Burlington Very nice bedroom community Many parks, natural areas and cultural opportunities in the region Low violent crime rate K-12 system seen by some (but not all) as good Healthcare services 	<ul style="list-style-type: none"> Lack of upscale restaurants Need more places to stay Lack of a downtown shopping area "Adequate" - not good - grocery No movie theater Shortage of places for kids to have fun Inadequate child cares services Availability of affordable homes (average price of homes in the Town and County is well above the national average) Cost of living in the Town is 22 points above national average Property crime rate exceeds national and state averages
Image and Visibility	
	<ul style="list-style-type: none"> Town lacks a widely shared unifying vision of what it is and wants to be Colchester does not have a clear image or brand Multiple districts in town with separate identities causes fragmentation and lack of sense of community, with limited access among the neighborhoods Residents are more neighborhood focused than Town focused in their identity Colchester is not perceived as a tourist area Colchester is difficult to find, particularly Route 127 Inadequate gateway and directional signage Colchester feels unapproachable except for Exit 16
Other Topics	
	<ul style="list-style-type: none"> Inadequate leadership in the past by the Select Board Failure to date to implement most recommendations in the Heritage

Strengths	Weaknesses
	Project final report <ul style="list-style-type: none">▪ Widely held anti-change/anti-growth mentality▪ VT is a difficult location for restaurants due to taxes on employees

Colchester's Primary Marketable Strengths as a Location for Business

Based on the research and analysis discussed above, the following are Colchester's primary strengths that should be capitalized upon in marketing the community and identifying opportunities for economic growth.

- ☑ A highly accessible location (by both highway and air) in Vermont's largest economic hub. This supports the convenient movement of supplies, services, finished products, company employees and customers, and provides a broad labor shed from which to draw workers.
- ☑ A diversity of work force skills and occupational types that can service a wide variety of business types.
- ☑ A well-educated population with several institutions of higher learning in the area providing entry-level and continuing education for meeting many workforce skill needs.
- ☑ An improving business climate with noticeable positive changes in local regulatory requirements and procedures. However, these improvements must be communicated more effectively.
- ☑ A local tax rate that currently is considered reasonable by many (but not all), but that most agree is at or near the maximum residents and businesses consider tolerable. This supports the need for additional economic growth in the business portion of the Grand List to ease the burden on residential tax payers.
- ☑ Good availability of support services and suppliers within close proximity.
- ☑ Existing or planned Growth Centers. However, there are important infrastructure needs.
- ☑ A desirable quality of life, in particular the Town's Lake Champlain location. This can be capitalized upon for economic growth including maritime oriented businesses, tourism, and upper end residential development.

Colchester's Primary Weaknesses as a Location for Business

Colchester's many positive attributes are matched by a number of deficiencies that require attention or are obstacles that must be compensated for. These include:

- ☑ A lack of a broadly shared vision of what Colchester currently is and should become. This situation is caused in part by the fragmentation of the community into multiple neighborhoods whose residents seem to identify more with those neighborhoods than with the Town as a whole. This also makes it difficult to establish a "brand" or image for the Town.

- ☑ A perceived lack of leadership for the promotion and direction of the Town's economic development efforts. This should be considered as an invitation to the Select Board, CEDAC, and CCDC by the Town's residents to take a stronger leadership role in economic development matters. This also extends beyond economic development into a perceived lack of commitment to implementing the Heritage Project recommendations.
- ☑ Inadequate infrastructure (including public water and sewer and broadband and cellular communications services) to support future economic growth.
- ☑ Quality of life weaknesses in affordable housing and public transportation.
- ☑ A region-wide "brain drain" that reduces the supply of younger workers with high skill levels. This causes difficulties for employers in a variety of skill areas, in particular, technical skills and trades.
- ☑ A lingering perception that Colchester's regulatory climate is onerous. Recent improvements in the permit and approval system are not known by many businesses. There appears to be an inadequate linkage between the Town's government and business sector. A more effective communication and relationship-building effort is necessary.
- ☑ The impact of state requirements on the local business climate and cost of doing business.
- ☑ A very small inventory of sites for future business development, particularly for larger projects. This situation is exacerbated by development limitations from topography, sand planes, protection of prime agricultural land, and other factors.
- ☑ Inadequate facilities and services to support increased tourism, in particular, lodging choices and nicer restaurants.

Major Issues Shaping the Town's Economic Development Potential

Economic development is impacted by many factors that vary by community and region. The following were identified as issues that are impacting Colchester's economic development future:

- "There is inadequate planning and commitment to implementation by town officials. We wait for a complete breakdown before we start doing anything."
- "It is time to reevaluate our governance structure."
- "There has been a past lack of political will to do anything that causes change. This has impeded progress in implementing the Heritage Plan."
- Colchester is fragmented with multiple "municipalities within the municipality".
- Colchester's economic development future is tied to:
 - Lake Champlain/Malletts Bay
 - The area around Exit 16
 - Severence Corners
 - Exit 17 in the future
- All existing or future growth areas require traffic improvements and some are lacking critical utilities.
- TIF District for Severence Corners Growth Center needs to be implemented by a town-wide vote.

- Budget limitations are impacting many areas including improving public transportation.
- Less than "optimal" use and development of Lake Champlain, but no shared vision on what that optimal use is.
- Differences of opinion about the severity of sprawl and the acceptability of additional growth.
- Convincing residents that Colchester should be a destination and convincing potential visitors that Colchester is a destination.
- Vermont schools are doing an inadequate job at turning out the technical skills employers will need; this includes both the skills being taught and the number of graduates.
- Vermont's increasing cost of doing business and unknown future cost of healthcare insurance are causing companies to consider other states for branch plants or expansion needs.
- Limitations on EB-5 visas for Immigrant Investors (scheduled to end on September 30, 2012) is seen as limiting potential investors for Colchester.
- A shortage of skilled manufacturing and technical skills within the workforce.
- A very low unemployment rate and high labor participation rate coupled with low population growth within the Town's labor shed.
- The high cost of housing and the overall cost of living, coupled with wages and salaries that are below those in other technology centers in the Northeast and elsewhere.
- The public school system needs to be focusing more serving graduating students who are not going on to college, and assuring they have the basic skills, attitude and other essentials for employment.
- In the future, the Town will need additional land zoned for industrial and office use with adequate infrastructure (i.e., good road access, full utility services, and state-of-the-art telecommunications).
- Lower cost fiber service is needed throughout the Town for both uploading and downloading uses.

Primary Economic Development Opportunities on which the Town can Capitalize

During the research process, the following were suggested as general opportunities for Colchester:

- Clean manufacturing (no chemicals)
- Technology oriented businesses
- Develop a medical, life sciences and wellness cluster
- Develop a "creative" cluster and niche
- Create an arts and entertainment district, perhaps at the Fort
- Creation of an incubator or incubator services to support small technology businesses
- Malletts Bay is stunning but lacks a place to stay (either a hotel or B&B) and is hampered by a lack of sanitary sewer service. Colchester has been described as "27 miles of waterfront with almost nothing to do on it."

- Position Malletts Bay as a maritime location. Recruit maritime oriented businesses for the Bay or nearby. Create events aimed at boaters and fishermen, as well as a broad range of tourists.
- Create several major festivals during the year to attract visitors
 - Including the mythical Captain Mallett
- Build and promote value-added agricultural and agri-tourism cluster (including equestrian events)

How this Competitive Assessment will be Used

The analysis presented in this portion of the Colchester Economic Development Action Plan provides the foundation from which major business development opportunities can be identified and Action Plan programs, projects and initiatives will be selected. The Action Plan will be focused on capitalizing on primary strengths and opportunities, and correcting major deficiencies. Both the business development opportunities and Action Plan elements are presented in other portions of the Economic Development Action Plan.

Potential Targets for Colchester

Economic development targeting generally has two primary purposes:

1. The selection of a limited number of highest potential business sectors toward which limited marketing dollars are focused to increase the likelihood of success.
2. The identification of an existing or potential sector or cluster of interrelated businesses (they do not need to be all of the same type, but need to have shared business interests) that becomes a focus of the community's business attraction, retention, expansion, and creation efforts.

Targeting works best when the community has some strong features that distinguishes it from its neighbors and most common competitors. This is not the case for Colchester where the majority of strengths listed above pertain to most every other Chittenden County community.

Communities in this situation who narrowly target their marketing and business development efforts on a handful of NAICS (North American Industry Classification System) codes often diminish their marketing potential by being overly selective. For communities like Colchester in this situation, a better strategy is to focus on making the community more competitive (for instance, improving traffic flow and access to business areas, better Internet and broadband service, development regulations and procedures that are more business-friendly, creation of more "shovel-ready" business sites) and then casting a broad marketing net.

This approach often includes relying on a regional marketing entity such as GBIC to do the marketing for the area, with the expectation that the community's desirable location and quality will capture the attention of business prospects considering the broader region. This approach relates directly to Initiative #1 presented as a later part of this Action Plan.

Rather than focusing limited marketing resources on a limited number of "targets of intent", Colchester would be better served in taking advantage of all "targets of opportunity" that present themselves.

County-wide Targets

As noted in the Introduction section of this Plan, an intention of this project was to capitalize on work being prepared for Chittenden County as part of The ECOS Project. A detailed analysis of the market sectors for the County identified 11 business sectors shown in Table 9 the consultant team considered to hold the strongest potential.

Table 9
Targets Best Suited for Chittenden County

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
Business and Administrative Services <ul style="list-style-type: none"> Consulting services (Environmental, energy, waste management, resource recovery) Back offices, administrative centers 	<ol style="list-style-type: none"> 1. UVM Complex Systems offer consulting opportunities 2. Will be necessary to support many other existing businesses and intended targets 3. The employer survey shows a strong labor availability of office administration skills 4. UVM, and Champlain, St. Michael's, Burlington and Middlebury College graduates prefer to stay in the area after graduation, providing a workforce for this sector 5. UVM and Champlain College BA/MBA degrees in business 6. Very good telecommunications provide the infrastructure needed by this industry. 7. Average annual county salary in administrative and support services is \$26,372, for professional and technical services it is \$70,622, and for management of companies and enterprises it is \$69,863.
Clean Tech/Green Tech <ul style="list-style-type: none"> Green product and services engineering services Architectural services Environmental, energy, smart grid, waste management, transportation, resource management and recovery, and other consulting services Energy and other management services Environmental products and services R&D on broad spectrum of products and services Manufacturing of clean tech products, such as monitoring equipment and sensors, and manufacturers using green manufacturing production processes (green manufacturing) Alternative energy systems Information Technology 	<ol style="list-style-type: none"> 1. Vermont and Chittenden County already a leader 2. Opportunity to position Chittenden County as a global hub for R&D and application/commercialization 3. Rapidly growing global focus 4. UVM's program in environmental engineering and other engineering disciplines 5. Average county annual salaries range from \$67,228 in manufacturing, to \$70,622 in the Professional and Technical Service sector; Brookings Institute ranks the state's average green jobs annual salary at \$37,681 6. Vermont's clean economy jobs make up 3.0% of all state jobs, a concentration that ranks the state 5th in the U.S. 7. The state's lean economy job growth 2003-2010 has been below the national average, needing a boost. 8. Vermont Technical College programs in construction practice and management, architectural and building engineering technology, architectural engineering technology, civil and environmental engineering, and sustainable design and technology. 9. Vermont Center for Emerging Technologies (VCET) 10. Vermont Energy Investment Corporation is a large employer in this sector

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
Digital Media <ul style="list-style-type: none"> • Games • E-music • Wireless and mobile data services • E-learning • Mobil services • Modeling and simulation 	<ol style="list-style-type: none"> 1. Champlain College's Division of Communication & Creative Media Majors and Management of Creative Media within the Division of Business Majors; on-line education; programs in digital filmmaking, game art & animation, communications, creative media, game design 2. Entrepreneurial philosophy of Champlain College 3. Internship program of Champlain College with area companies 4. VTC computer engineering and information technology programs computer software engineering program, electrical and mechanical engineering technology programs 5. Generating major changes in industry, business, communications, education, entertainment and social interaction 6. Growing industry 7. Linked to the IT and e-commerce targets and to the county's existing business clusters 8. Within the Professional, Scientific & Technical services sector 9. A green industry 10. Increasing use in advanced training across multiple disciplines 11. Average annual county salaries range are \$70,622 in the Professional and Technical Service sector

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
E-Commerce <ul style="list-style-type: none"> • Retail • Wholesale • E-learning • B2B • B2C 	<ol style="list-style-type: none"> 1. Growing use and applications across business lines 2. Established local and state company base and use 3. Linked to retail, sustainable agriculture (local products, heirloom seeds, VT cheese gift baskets, African ethnic foods), digital media, information technology targets 4. Offers distribution centers closer to national markets 5. A green industry 6. An industry requiring high level technical, financial and administrative talent 7. Supports business growth of local retailers through multi-channel marketing 8. E-commerce opportunities for green or natural products such as health and beauty aids and other consumer products, business products 9. Average annual county salaries range from \$43,909 in the non-store retail sector to \$68,452 in the electronic markets and agents and brokers sector, to \$70,622 in the Professional and Technical Service sector

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
Health Care and Wellness <ul style="list-style-type: none"> Regional Health Center Regional and national wellness, healthy living focused initiative 	<ol style="list-style-type: none"> Builds on presence of Fletcher Allen Hospital/UVM College of Medicine Medical Center, UVM College of Nursing and Health Sciences, Albany College of Pharmacy Chittenden is ranked the most healthy county in the healthiest state Target positions Chittenden County as a regional leader for the growing interest in "wellness" Employs a range of skills in broad spectrum of wages VTC Associate degree and certificate programs in nursing, Associate degree program in respiratory therapy UVM masters degree in bioengineering, BS degree in nuclear medical technology, BS/MS in nursing, masters and PhD in pharmacology, bachelors degree in radiation therapy UVM's Transdisciplinary Research Initiative Average county annual salary in healthcare is \$51,915.
Higher Education <ul style="list-style-type: none"> Suppliers to higher education institutions Spin-offs from higher education institutions Technology transfer from higher education institutions to businesses 	<ol style="list-style-type: none"> Substantial higher educational base (University of Vermont, Champlain College, St. Michaels College, Burlington College, Vermont Technical College) with diversified and innovative programs Vermont HiTech, Inc. as an innovative training model High use of interns by area business, many from local higher educational institutions Good to very good assessment of area educational facilities and graduates by business Existing high interaction between area business and higher educational institutions gives a solid base for enhanced industry-higher educational linkages and interface Moderate sized community in a small state allows for closer relationships among the three sectors for overall economic enhancement. Potential for stronger relationships between the business and higher educational communities Educational institutions as a springboard for entrepreneurial development Technology spin-offs and workforce training potentials from area institutions to benefit business Linkages to the Vermont Technical Council and its members.

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
Information Technology <ul style="list-style-type: none"> • Software design • Web design • Management of information systems • Management of information databases • Network systems and design 	<ol style="list-style-type: none"> 1. Within the Professional and Technical Services sector, a leading growth employment sector in the County 2. Vermont Software Developers Alliance 3. Vermont Technical Council/Vermont Information Technology Center 4. Significant existing employer base 5. Linked to E-commerce 6. High forecasted national and global growth 7. Clean Tech/Green Tech industry 8. Broad applications and customer base 9. Computer Science and Computer Science Information Systems, Management Information Systems and engineering programs at UVM; 10. Managing Information Systems, web development, and computer & digital forensics programs at Champlain College, IT related certificate and degrees in IT related fields 11. VTC computer engineering and information technology programs computer software engineering program, electrical and mechanical engineering technology programs 12. Vermont target industry 13. Average county annual salary is \$70,622 in the Professional and Technical Service sector and \$45,255 in the data processing, hosting and related services 14. Potential association with the Albany, NY area technical corridor
Non-profit Organizations <ul style="list-style-type: none"> • Offices and outreach programs • Green industry and interests • National, regional, state organizations/programs 	<ol style="list-style-type: none"> 1. Existing cluster to serve as a foundation for expansion 2. Helps with area branding for target industries 3. Employer of office and administrative skills 4. Average annual salaries in the county range from \$26,626 in the membership associations and organizations sector to \$28,372 in administrative services.
Retail <ul style="list-style-type: none"> • Traditional • E-commerce • Green retailing 	<ol style="list-style-type: none"> 1. Strong and growing local industry cluster 2. Linked to value added/sustainable agriculture, e-commerce and tourism (i.e. retail tourism) sectors 3. Chittenden County is a regional retail hub 4. Immediate access to the Canadian (Quebec) marketplace 5. Provides opportunities for entry level jobs

CHITTENDEN COUNTY POTENTIAL TARGET LIST	
Target/Components	Rationale for Selection
Tourism	<ol style="list-style-type: none"> 1. A Vermont target industry 2. Existing cluster with skiing industry and Lake Champlain 3. Opportunity to expand area venues, especially around Lake Champlain 4. Linked to value added/sustainable agriculture (agri-tourism) and retail targets 5. Provides opportunities for entry level jobs
Value-Added Manufacturing <ul style="list-style-type: none"> • Durable goods • Non-durable goods • Niche products 	<ol style="list-style-type: none"> 1. Existing cluster to serve as a foundation for expansion, most are high-tech 2. High wage business sector (\$72,515 county 2010 average annual salary, durable goods, \$41,249 non-durable annual average) 3. High economic impact multiplier (i.e. high economic ripple effect throughout the area economy) 4. Dynamic sector, growing opportunities for small firms, source for innovation 5. Current and increasing need for high workforce skills 6. Provide opportunities for suppliers and vendors to current employers 7. Existing manufacturing skills in the County and commute zone 8. Supporting infrastructure: rail, highway 9. Engineering programs as UVM 10. Linked to clean tech/green technology target 11. Non-union environment

All of these are potential targets for Colchester, demonstrating that a broad focus may be more productive than a limited number of targets.

Having said that, there are three on this list where Colchester has a nucleus already.

1. The first is retail, as demonstrated in the retail sales statistics in Table 6. This sector should also include more restaurants (where Colchester is not as strong compared to many other communities in the state based on reported sales statistics – see Table 7).
2. The second is tourism, capitalizing on Malletts Bay and the presence of several agri-tourism locations. Tourism is a huge component of the national and state economy and the agri-tourism portion is currently a growth sector across the country.
3. The third is the health and wellness sector, capitalizing on the presence of the Albany College of Pharmacy and Health Sciences in Colchester and other nearby facilities.

Although less of a discernible target, another focus can be a broad spectrum of operations that occupy office space. Colchester already has an attractive office park and additional development of more office space would add to the Grand List because such space is usually more valuable on a per square foot basis than retail, manufacturing, or warehouse/distribution space. Having additional office space would provide locations for businesses in several other sectors shown in Table 8 including business and administrative services, digital media, e-commerce, non-profit organizations, and information technology (as long as adequate Internet and broadband are available).

Niche Opportunities

Maritime Niche

Colchester has the possibility of developing a "maritime" niche – a cluster of water-related businesses that focuses on using available properties in proximity to Malletts Bay. This would include expanding the existing marina and visitor-related activities and events, but would also include trying to attract firms related to the marine industry such as marine insurance companies, manufacturers of boating and marine products, offices of marine engineering and marine salvage companies, and those kind of things. This niche could also blend the state's Captive Insurance program with marine industry companies who are interested in being self-insured. This niche would relate directly to Initiative #9 – Malletts Bay Development Plan – presented in the following section.

Housing

Unlike most other states, in VT it is advantageous for communities to get more children because the state provides additional funding. Right now taxes from the Burlington area are supporting other parts of the state this way. This makes development of housing a potential economic development strategy. At one end of the spectrum would be moderate cost multifamily housing (apartments and condos) as well as smaller single-family units priced for the workforce - which is a county-wide need. At the other end of the spectrum would be higher end housing in proximity to Lake Champlain and Malletts Bay or in other desirable and attractive parts of town. While the occupants of higher-end housing sometimes do not have many children, the higher tax value of the structure is still important to the Grand List.

Inducing a Niche

Some communities have taken the longer term approach of building a niche from the ground up. Waynesville, OH has done this over a long period by declaring themselves to be the "Antiques Capital of the Midwest" (a Service Marked term) when they only had 2 antiques stores. Now they have more than 20 in their downtown. This is a strategy where something like agri-tourism could be the focus of building a niche in Colchester.

Economic Development Action Agenda

This section provides a set of recommended action steps aimed at improving the Town's economic development performance. Such performance is generally measured in terms of several possible goals:

- ☒ Attracting capital investment to generate more tax revenues from businesses
- ☒ Improving employment opportunities
- ☒ Assuring conveniently available goods and services for residents
- ☒ Other community-specific motivations

For Colchester, the first category – adding to the Town's Grand List to reduce the tax burden on residential tax payers – is by far the dominant motivation for an enhanced economic development effort. Raising the business portion of the Grand List from approximately 22% now to 30% in the future was one of the top priorities identified by the Town's Heritage project.

As a point of comparison, Table 5 presented earlier in this document provides a calculation of the current (2011 Grand List) business portion of the Town's Grand List, and shows that nearly 22% is comprised of business related property. While this would be an admirable number in many communities, Table 5 also shows that Colchester lags behind several of its neighboring communities. Given the projections of what is likely to happen to Colchester's municipal tax rate discussed earlier, this further emphasizes the need for an aggressive program of product improvements, economic development services, and organizational management.

Therefore, the ten initiatives recommended in this Action Plan are aimed at the goal of making Colchester more ready and competitive for attracting more business investment that will equate to a higher portion of local taxes being paid by businesses rather than homeowners. The initial focus, as reflected in this Action Plan, is on making Colchester a more competitive "product" for the highly competitive economic development marketplace. Product readiness and community preparedness must precede aggressive marketing.

The ten initiatives were selected through a process where:

- The consultant team identified a list of 23 possible initiatives and provided a brief description of what they meant.
- This consultant team prepared a prioritization exercise that asked respondents consider each initiative in terms of:
 - Likelihood of having a positive impact on Colchester's economy.
 - Likelihood of having support from both the public and any allies whose involvement may be necessary to implement the initiative.

- Cost-effectiveness in terms of possible resource needs (in particular, staff time and funding).
- The Town distributed the prioritization exercise. Recipients were asked to award up to 10 points for each of the evaluation criteria above for each of the initiatives. Recipients were also asked to note any initiatives they believed should be combined.
- The consultant team compiled responses and totaled points, combining initiatives where appropriate. The ten initiatives that follow received the highest scores through this prioritization process, are summarized as follows, and elaborated upon in the next pages.
 1. Colchester Branding Program and Market Niche Development
 2. Economic Development Communications Plan
 3. Economic Development Team-Building Program
 4. Colchester Business Association
 5. Business Retention and Expansion Program
 6. Available Properties Inventory
 7. Annual Business Survey
 8. Business Prospect Tour
 9. Malletts Bay Development Plan
 10. Package Treatment Plant Study

It should be noted that the suggested schedule for the 10 initiatives recognizes the realities of limited staff availability and volunteer time. For that reason, each of the Initiatives starts in the calendar quarter after the prior initiative, with the overall sequencing reflecting the prioritization established in the prioritization exercise. However, once an Initiative is begun, we have proposed a fairly aggressive schedule to bring the Initiative from any necessary planning into implementation.

Initiative #1: Colchester Branding Program and Market Niche Development

Background Information

From an economic development perspective, Colchester is a community in search of a defining identity. The Chittenden County "brand" is dominated by the City of Burlington. Colchester is searching for a way to distinguish itself. The development of a Colchester brand was identified as one of three economic development priorities that emerged from the community's Heritage Project.

It is important to note that a brand is the shorthand through which the nucleus of a memorable marketing message is conveyed. One book on the topic calls a brand a "Brain Tatoo". A community's brand generally includes a name or short phrase (the tagline) that attempts to capture the gist of the message, and a logo or other graphic that is eye-catching and hopefully causes the viewer to first look at the tagline, and then want to find out more. More importantly, the brand must be preceded by a clear, concise, accurate, and meaningful marketing message.

As North Star Destination Strategies (one of the leading specialists in community branding) describes the branding process, it includes 1) identifying who the intended recipient of the marketing message is; 2) identifying what the important value propositions are for those recipients; 3) creating a message that shows how the community can provide that value; and 4) stating how the recipient will benefit from a relationship with that community.

It should be noted that professional help in crafting a brand takes time and is not inexpensive. The typical timeframe for developing a brand is from 4 to 6 months at a cost of \$40,000 to \$70,000. Recognizing the resource limitations under which Colchester is operating, the process outlined below is intended to use local effort and talents to develop a marketing message and brand for Colchester.

The Market Niche Development portion of this Initiative was discussed in part in the prior section of this Action Plan.

Initiative #1 Major Action Steps and Schedule

Action Steps	Schedule
1. Establish a Colchester Branding Task Force under the guidance of CEDAC. Recruit volunteers from the community with expertise in marketing and branding.	2 nd Qtr 2013
2. Identify primary market segments appropriate for Colchester (see the section of this Action Plan on Potential Targets for Colchester for suggestions) for whom the brand should be relevant.	3 rd Qtr 2013
3. Identify one or more key value areas for each identified market segment.	3 rd Qtr 2013

4. For each value area, identify a Colchester response that can a Colchester location can meet the value needs of that customer market segment.	3 rd Qtr 2013		
5. For each value response, write a short marketing message capturing how that response by Colchester can bring value to and solve problems for the market segment.	4 th Qtr 2013		
6. When all marketing messages have been adopted, identify unifying themes.	4 th Qtr 2013		
7. From the unifying themes, identify possible marketing taglines that succinctly capture the shared value proposition(s).	4 th Qtr 2013		
8. Once the tagline has been selected, create a logo that relates to the tagline. It may be desirable to hold a community competition to generate potential logos from which a preferred logo is selected and polished by a qualified graphic artist if necessary.	1 st Qtr 2014		
9. Use the logo and tagline on the Town’s website, all relevant marketing materials, business cards, stationery, static displays, and any other appropriate place.	2 nd Qtr 2014 and thereafter		
10. Develop and utilize a marketing program that contains the branding message, logo and tagline. The marketing program should have both an internal (i.e., within Colchester) and external component. (See Initiative #2 for related information)	3 rd Qtr 2014		
11. After one year of use, review all components of the brand and marketing message and program to identify any fine-tuning that may be necessary.	3 rd Qtr 2015		
Responsibility			
Primary: <ul style="list-style-type: none">Community & Economic Development OfficeCEDAC	Support: <ul style="list-style-type: none">		
Resources Needed			
Funding:	Item	Amount	Possible Sources
	• Refreshments for Task Force meetings	\$200	• CEDO annual budget
	• Prize for logo contest	\$100	• Town budget line item
	• Use of branding consultant (If used)	\$50,000	• Business donation for logo contest prize
	• Marketing program implementation	Unknown	
Other:	<ul style="list-style-type: none">CEDO staff timeCEDAC and other volunteer time		
Performance Measures			
<ul style="list-style-type: none">Colchester Branding Task Force established by June 2013Marketing messages adopted by October 2013			

- Taglines identified by December 2013 and logo selected by March 2014
- Marketing program using marketing messages, tagline and logo operational by July 2014
- First prospect responses caused by new marketing program received by October 2014

Timeframe

This Initiative is:

☒ Short-term
(1-2 years)

☐ Intermediate-term
(3-5 years)

☐ Long-term
(5+ years)

☒ Continuing

Additional Information

For information on Karen Post's Brain Tatoo Branding, see: <http://www.braintattoo.com/>

For information on companies that specialize in economic development branding and marketing, see:

North Star Destination Strategies - <http://www.northstarideas.com/index.php>

The Pont Group - <http://www.thepontgroup.com/Home.html>

Development Counsellors International – www.aboutdci.com

For an article "Branding helps cities make their mark" see:

http://americancityandcounty.com/admin/economic_dev/branding_helps_cities_mark/

For an article "Place Branding: New Tools for Economic Development" see:

http://findarticles.com/p/articles/mi_qa4143/is_200704/ai_n19432350/

For information on branding as part of "Marketing the Community for Economic Development", see:

<http://www.mrsc.org/subjects/econ/ed-mark.aspx#Branding>

Initiative #2: Economic Development Communications Plan

Background Information

Communicating effectively with your existing business community, prospect businesses, economic development allies, and community leadership and stakeholders is an essential element of a successful economic development program. It is also an area where many of those interviewed during this project believed Colchester could do a better job.

This Initiative focuses on the design and implementation of a multi-faceted communications plan that supports the Town's economic development efforts, including:

- Marketing Colchester to business prospects (see Initiative #1 for related information)
- Fostering better communications between the Town and its businesses
- Improving the economic development portion of Colchester's website to address the issues of concern to companies seeking new locations or entrepreneurs looking for a location to start a business
- Better informing the Select Board, other boards and commissions, the Colchester business community, and economic development allies about opportunities in Colchester, project updates, and similar matters

The linkage between an economic development program and both the existing and prospective business community is dependent on an effective communications program. While Colchester has had pieces of a communications program in operation, they are not part of a comprehensive and coordinated Business Communications Plan, and can be improved. In addition, as the Town's Community and Economic Development Office (CEDO) is currently unstaffed, no marketing program is currently operational.

There are many potential elements of such a Communications Plan. Colchester's Plan need not be complex and overly expensive. The following elements are suggested as the core of the Plan, which can then be modified over time as needed to be most effective:

- A. Maintenance of a **master contact list** of Colchester businesses, allies, prospects, and other categories. The local business portion of this list was being amassed as this project was started, but it is likely the list needs updating to reflect changes over the past few months. In addition, the master contact list must be expanded and maintained to include the other categories noted above. An essential element will be valid e-mail addresses to facilitate regular communications between the Town and its business community, as well as the other contact categories. Website URLs are also necessary to allow the Town to provide a link between its website and those of its businesses. Additional segments of the contact list should be created for commercial real estate brokers who should be interested






in Colchester, site selection consultants, economic development allies, and other contact categories deemed useful. Not every category will receive all communications from the Town. Consideration should be given to using Constant Contact as a mailing list segmentation and management tool.

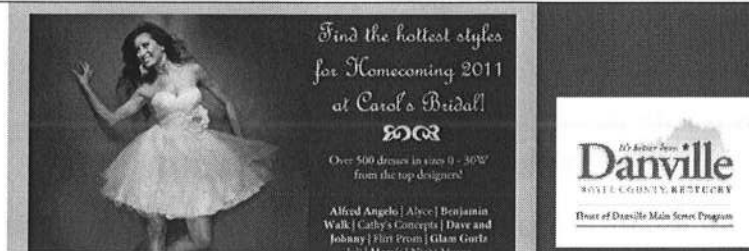
- B. A continuing **business visitation program**. See Initiative #5 for more detail on this element.
- C. The **economic development portion of the Town's website** is currently inadequate to meet the needs of businesses and the real estate brokers and site selection consultants that serve them. Because of the complexity of the information needed for an effective economic development website, many communities have created a separate website for this purpose, with a link from the economic development tab on the community website to the separate site. The economic development portion should be created, advised or reviewed by someone with direct experience in the economic development business. We suggest discussing this need with Mark James, a recognized national expert on economic development website design and performance maximization. Contact information for Mark James is provided in the section on Additional Information below, as are examples of award winning economic development websites from smaller communities. A portion of the economic development website should allow businesses to communicate needs, issues or opportunities to the Town.
- D. Create a **regular electronic newsletter** for use by the Town in communicating with its businesses using the master contact list above. Some communities (for example, Farmington, CT) use a monthly newsletter, supplemented by more frequent announcements of important events or other topics as needed. Other communities (for example, Danville, KY) use a weekly newsletter that coordinates ads, event announcements, employment opportunities, and other items submitted by merchants and organizations. The Danville program takes ads and announcements created by merchants and organizations in Publisher, Fireworks, or similar software, and pieces them together into a Constant Contact jpg format for distribution. Examples of both are provided in the Additional Information section below.

Initiative #2 Major Action Steps and Schedule

Action Steps	Schedule
1. Create CEDAC subcommittees to be in charge of each of the Communications Plan elements shown above or others with communications skills added by CEDAC. Each subcommittee should be headed by a CEDAC member but could include others who are not members of CEDAC.	3 rd Qtr 2013
2. CEDO staff updates electronic business contact list established in 2012.	3 rd Qtr 2013

3. Economic development portion of website review completed	4 th Qtr 2013		
4. Each subcommittee creates a detailed, written plan for making their assigned element work most effectively.	4 th Qtr 2013		
5. CEDAC melds each subcommittee plan into a combined Colchester Economic Development Communications Plan.	1 st Qtr 2014		
6. Any cost elements for implementing the Economic Development Communications Plan are included in the CEDO annual budget request.	1 st Qtr 2014		
7. Plan items not dependent on funding (e.g., the Business Visitation Program in Initiative #5) are implemented immediately.	2 nd Qtr 2014		
8. Plan items requiring funding are begun in the new fiscal year.	3 rd Qtr 2014		
9. Economic Development Communications Plan reviewed and updated annually.	Ongoing		
Responsibility			
<ul style="list-style-type: none"> • Primary: • CEDO • CEDAC marketing • Committees 	<ul style="list-style-type: none"> • Support: • Select Board • Finance Department 		
Resources Needed			
Funding:	Item	Amount	Possible Sources
	• Website review by Mark James	\$2,500	• CEDO annual budget
	• Constant Contact subscription	\$180 - \$360/year	• Town budget line item
	• Other items necessary to implement plan	To be determined based on Plan elements	
Other:	<ul style="list-style-type: none"> • CEDO staff time • CEDAC and other volunteer time 		
Performance Measures			
<ul style="list-style-type: none"> ▪ CEDAC Communications Plan committees established and populated by September 2013 ▪ Committee plans completed by November 2013 ▪ Website review completed and recommendations received by December 2013 ▪ Full Economic Development Communications Plan adopted by CEDAC by February 2014 ▪ Budget for Communications Plan submitted by February 2014 ▪ Initial elements of Communications Plan not requiring funding implemented by April 2014 ▪ Implementation of budgeted items begins July 2014 			
Timeframe			
This Initiative is:			
<input checked="" type="checkbox"/> Short-term	<input type="checkbox"/> Intermediate-term	<input type="checkbox"/> Long-term	<input checked="" type="checkbox"/> Continuing

(1-2 years)	(3-5 years)	(5+ years)	
<p align="center">Additional Information</p> <p>A partial example of the Heart of Danville's (KY) weekly E-News is shown on the next page. (Please note this example was made from multiple, cropped screen shots and therefore does not look as good as the actual newsletter.)</p> <div data-bbox="438 407 1185 1709"> <div> <p align="right">September 8, 2013</p>  <h3 align="center">Heart of Danville E-News</h3> <p>Dear Mark,</p> <p>Constitution Square Arts Fest is upon us again! Join us this weekend in historic Constitution Square in downtown Danville for this annual arts extravaganza. There will be over 80 great artists on site, with several demonstrating their work. There will also be several historical interpreters and re-enactors. The Miss Constitution Square pageant will be held on Friday night, and there will be great entertainment throughout the weekend. We hope to see everyone downtown this weekend enjoying the festival, as well as all of our downtown stores and restaurants.</p> <div>  <p>See you at the festival! Julie Wagner</p> </div> <div>  <p align="center">September 9-11 Constitution Square</p> <p align="center">Friday 9a-11p Saturday 9a-11p Sunday 11a-6p</p> <p align="center">Come on down to Central KY's premiere arts festival and enjoy talented artists, crafts, delicious food and great entertainment!</p>  </div> <div> <h4 align="center">UPCOMING EVENTS</h4> <p align="center">SEPTEMBER 9-11</p>  <p align="center">Friday 9am-11pm Saturday 9am-11pm Sunday 11am-6pm</p> <p align="center">SEPTEMBER 9 Constitution Square Arts Fest Pageant 6 - 8 p.m.</p> <p align="center">SEPTEMBER 18 Constitution 5K Run for the Arts Sponsored by Danville Bike and Footwear</p> <p align="center">SEPTEMBER 24 City of Firsts Volksmarch 1 - 3 p.m. *** Oktoberfest: A Craft Beer Celebration 4 - 8 p.m. Downtown Danville</p> <p align="center">SEPTEMBER 25 KyADAPT's Family Fun Walk Millennium Park 3 p.m.</p> <p align="center">SEPTEMBER 26 Chamber of Commerce Annual Golf Scramble Contact 236-2361 for more info</p> </div> </div> </div>			



To see a full version of the Heart of Danville newsletter, go to:

http://campaign.r20.constantcontact.com/render?llr=ohqyhucab&v=001tn3vzqXP0zbZHQU4D4_KYAt6gOVRHZbyZ4CUB1320SnhoAa-b-VGY41nsmx-BLgkLL6x5bJBPvIMLm2dNB7bHuYz_yyoZV7g4v798uqPH2gyf0xFKCZInyexKsq_z0cdXlqb3eAF-HZ_yWf53i_hwdZqJc3VzfrkmiIBDUNhMVXpkMsd2rV2De-AH4o_CIA3wVqkmnGyYIES4LdMFaUDNqbVeG64gbryLXsx3SUntw-6GSijjTxBuSYow2Lewu-j0ZaMbBWxBk%3D

To see Farmington, Connecticut's quarterly electronic newsletter, see:

<http://archive.constantcontact.com/fs033/1102455603841/archive/1110577911649.html>

For contact information for Mark James, see: <http://www.solutionsed.com/about-us>

To see the most recent International Economic Development Council award winning websites for communities with less than 25,000 population, see:

Lindale, Texas - <http://www.lindaletexas.com/>

Sweetwater, Texas - <http://www.sweetwatertexas.net/>

Waynesboro, VA - <http://www.waynesborobusiness.com/>

Initiative #3: Economic Development Team-Building Program

Background Information

Economic development is a team sport. Success depends upon having all the right players working from the same game plan. This Action Plan is intended to provide the necessary game plan – Colchester must now field an effective team. Without that team, none of the rest of the Initiatives in this Action Plan are likely to be implemented and the Town will not achieve its goal of increasing the business portion of its Grand List.

An increasing number of places have recognized that many governmental departments, staff, and board/commission members can have a dramatic impact on economic development success (or failure), but have never thought of themselves as a “first-string player” of the community or region’s economic development team. This is the case with Colchester.

Colchester’s team includes its Community and Economic Development Office; Community and Economic Development Advisory Council (CEDAC); Colchester Community Development Corporation (CCDC); Select Board; Town Manager; Planning & Zoning Department and Planning Commission; and every other Town Department, Board and Commission that comes in contact with the economic development process. This delivery system is fragmented with the likelihood of service overlaps, gaps, and inefficiencies. It may also result in confusion for business customers who are not sure who to contact for assistance.

The Town Manager’s office, Planning and Zoning Department, and CEDAC should plan and host an “Economic Development for Public Officials” session to which all Town Staff and Board and Commission members who impact the economic development process are invited, as well as CCDC members and anyone else identified as part of the Colchester Economic Development Team. This group should be broadly inclusive – not limited to those functions typically thought of as part of the economic development process. It would include all land use officials, boards and commissions; the Board of Education; whoever has the responsibility for restaurant inspections; the Public Works Department; and anyone else whose responsibilities bring them in contact with existing or prospective businesses.

For many years, the MetroHartford Alliance (Connecticut) (and its predecessor, the Capital Region Growth Council) has run a very successful program called Economic Development for Public Officials. Many other economic development programs across the country have sought to emulate this program, the purpose of which is to provide periodic training and team-building for city and town elected and appointed officials, board and commission members, municipal employees, as well as interested residents, regarding their actual or potential roles in economic development. Colchester should seek to replicate this training for the Town.

As a companion effort, the Town should prepare an Economic Development Team Handbook for

CEDAC members and other primary members of the Town's economic development team. This Handbook should provide information on the fundamentals of an economic development program, a synopsis of this Action Plan and any other pertinent documents, and other information necessary to help new Board and Commission members and Town staff to quickly understand the Town's economic development program.

Initiative #3 Major Action Steps and Schedule

Action Steps	Schedule
EDPO	
1. Contact the MetroHartford Alliance to obtain details on their EDPO Economic Development Education and Team-Building session	4 th Qtr 2013
2. Develop a Colchester specific agenda for an EDPO session.	4 th Qtr 2013
3. Schedule a Colchester EDPO session, arrange all logistics (speakers, location, AV equipment, handouts, refreshments, etc.) and invite all appropriate Town staff, Board and Commission members, and others as appropriate (e.g., CCDC members).	1 st Qtr 2014
4. Conduct the EDPO session.	1 st Qtr 2014
5. Repeat the EDPO session periodically to reflect changing staff, board and commission members	As needed
Economic Development Team Handbook	
1. CEDO staff and/or CEDAC committee researches existing Economic Development Handbooks from throughout the country to identify models that can be used by Colchester.	1 st Qtr 2014
2. Create an outline of topics (for example: an organizational chart of Colchester's economic development team; names and contact information for all those included on the team; fundamentals of the economic development business; pertinent local regulations and programs; summaries of important local, regional, and state programs CEDAC and other team members should be aware of) to be included in a Colchester Economic Development Team Handbook.	1 st Qtr 2014
3. Prepare a master set of materials to be included in the initial Team Handbook.	2 nd Qtr 2014
4. Prepare the Team Handbook and disseminate it electronically to all those considered part of Colchester's economic development team.	3 rd Qtr 2014
5. Keep the Team Handbook current to reflect changes in team members, available programs, etc. and reissue the Handbook to the team as necessary.	Ongoing
Responsibility	
Primary: <ul style="list-style-type: none"> • CEDO • CEDAC 	Support: <ul style="list-style-type: none"> • Town Manager's Office • Selectboard

Resources Needed							
	Item	Amount	Possible Sources				
Funding:	<ul style="list-style-type: none"> ▪ Cost of handout materials, refreshments, speakers' fees 	\$1000 per session	<ul style="list-style-type: none"> • budget CEDO 				
Other:	<ul style="list-style-type: none"> • CEDO staff time • Volunteer time to attend 						
Performance Measures							
<ul style="list-style-type: none"> ▪ Colchester EDPO session held by February 2014 ▪ Session rated as "Very Valuable" by majority of attendees ▪ Additional EDPO sessions held periodically as change in Town staff or Boards and Commissions warrant ▪ Initial Colchester Economic Development Team Handbook published August 2014 							
Timeframe							
This Initiative is:							
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%; text-align: center; padding: 5px;"><input checked="" type="checkbox"/> Short-term (1-2 years)</td> <td style="width: 25%; text-align: center; padding: 5px;"><input type="checkbox"/> Intermediate-term (3-5 years)</td> <td style="width: 25%; text-align: center; padding: 5px;"><input type="checkbox"/> Long-term (5+ years)</td> <td style="width: 25%; text-align: center; padding: 5px;"><input checked="" type="checkbox"/> Continuing</td> </tr> </table>				<input checked="" type="checkbox"/> Short-term (1-2 years)	<input type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing
<input checked="" type="checkbox"/> Short-term (1-2 years)	<input type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing				
Additional Information							
<p>See the Metro-Hartford Alliance's "Economic Development for Public Officials" program as a model for a regional Economic Development Education and Team-Building Program. See http://www.metrohartford.com/economic-development/municipal-services or contact Sandra Johnson, Vice President and Business Development Officer, MetroHartford Alliance, 860-525-4451, Ext. 281.</p> <p>Background information on and examples of Economic Development Handbooks can be found at: http://sogpubs.unc.edu/electronicversions/pdfs/econdevhbk09.pdf</p> <p>http://www.positivelyminnesota.com/Data_Publications/Publications/Economic_Development_Guidance/Economic_Development_Authority_Hbook.pdf</p> <p>For a recommended book on the subject, see: <u>Economic Development in Local Government: A Handbook for Public Officials and Citizens</u>, Roger L. Kemp, Author and Editor, McFarland & Co., 2007.</p>							

Initiative #4: Colchester Business Association

Background Information

Although there is a Colchester Chamber of Commerce and Colchester is included in the service territory of the Lake Champlain Regional Chamber of Commerce, there is a perceived need for a more effective Colchester Business Association.

The purposes of such a Colchester Business Association are as yet undefined and therefore an essential element of the front-end planning to create one.

From a generic perspective and as defined by www.Answers.com:

Business associations are membership organizations engaged in promoting the business interests of their members. These associations typically perform activities that would be unduly costly or time-consuming for an individual company to perform by itself, including lobbying, information gathering, research, and setting industry standards. Association spokespeople contend that by combining their voices under one banner, companies are able to establish a strong and unified presence and effectively protect their shared interests.

This Initiative sets forth a process by which the possible creation of a Colchester Business Association can be explored and if deemed desirable, brought into existence. It should be noted that unless such an Association can be structured and operate in a way that yields significant value to its members, it should not be created.

Initiative #4 Major Action Steps and Schedule

Action Steps	Schedule
1. CEDO staff or CEDAC representatives should meet informally with several existing Colchester business contacts to explore the need for and support of creating a Colchester Business Association and identifying what roles and services such an Association should provide. If it is found that such an association is desired, enlist these business representatives' support and assistance in forming a formal business organization.	1 st Qtr 2014
2. Broaden the process by inviting other individuals who are viewed as leaders in the Colchester business community to participate in a larger, follow-up meeting. At this meeting, discuss the challenges facing Colchester companies that could be addressed by a Colchester Business Association and how an organized body could improve, identify or mediate challenges	1 st Qtr 2014

faced by Colchester businesses.	
3. Clearly define the potential purpose of the Association. Develop a clear and concise description of the Association and its reason to exist, and articulate it in a mission statement, goals, and proposed services and activities. Select a proposed membership fee or dues structure.	2 nd Qtr 2014
4. Using the contact list discussed in Initiative 2 and SurveyMonkey or a similar program, distribute the draft mission statement, goals and proposed services to the entire Colchester business community and ask for feedback and an indication of interest in being part of the Association. The survey should ask if respondents believe the proposed services and activities provide adequate value to justify the proposed membership fee or dues.	2 nd Qtr 2014
5. Based on survey feedback, if expressed interest in the proposed Association warrants continuing, make any adjustments to the mission statement, goals, proposed services and activities, and fee structure.	2 nd Qtr 2014
6. Complete organizational legalities including a decision on whether the organization will be a non-profit or for-profit; application for tax-exempt status if appropriate; articles of incorporation and bylaws	3 rd Qtr 2014
7. Make operational decisions such as: <ul style="list-style-type: none"> • a committee structure • office location • how often the Association will meet • a logo, stationery, business cards • an initial list of programs and events • how new members will be recruited • marketing or other materials • staffing and office location 	3 rd Qtr 2014
8. Plan and hold a first meeting of the Association	4 th Qtr 2014

Responsibility

<ul style="list-style-type: none"> • Primary: CEDAC 	<ul style="list-style-type: none"> • Support: CCDC • Colchester businesses
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Resources Needed

	Item	Amount	Possible Sources
Funding:	• SurveyMonkey	\$204 - \$300 per year	• CEDO budget
	• Legal fees unless pro bono	\$2,500	• CCDC funds Business contributions
	• Stationery, business cards, etc.	\$250	• Membership fees

	• Office rent (if necessary)	Unknown	
Other:	•		
Performance Measures			
<ul style="list-style-type: none"> ▪ Decision to establish a Colchester Business Association made by May 2014 ▪ Association mission statement, goals, and proposed services and activities defined by June 2014 ▪ All legal filings completed by September 2014 ▪ Colchester Business Association established and first meeting held by November 2014 			
Timeframe			
This Initiative is:			
<input checked="" type="checkbox"/> Short-term (1-2 years)	<input type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing
Additional Information			
<p>For a detailed article on Starting and Association from ASAE – The Center for Association leadership, see: http://www.asaecenter.org/Resources/whitepaperdetail.cfm?ItemNumber=24445</p> <p>For information on SurveyMonkey, see: http://www.surveymonkey.com/pricing/?ut_source=direct_to_pro</p>			

Initiative #5: Business Retention and Expansion Program

Background Information

An essential part of any local economic development program is taking care of the businesses already in the community. An often quoted statistic is that about 75% of new business activity in a community comes from the businesses already there or within a short distance. This relationship was verified a number of years ago in research conducted for the American Economic Development Council by Arthur D. Little, Inc. with funding provided by the U.S. Economic Development Administration.

A good Business Retention and Expansion Program has multiple purposes, most commonly:

- ☐ Demonstrate commitment to existing businesses
- ☐ Address firm-specific problems
- ☐ Provide a unified business voice in legislative issues
- ☐ Improve the business climate
- ☐ Improve the quality of life
- ☐ Create an early warning system of possible business problems
- ☐ Stimulate local investment
- ☐ Stop leakage of local dollars to other communities
- ☐ Improve business profitability
- ☐ Increase workforce productivity
- ☐ Provide technical assistance
- ☐ Facilitate networking & collaborative problem solving

Keeping informed about how local businesses perceive the local business climate is an essential aspect of economic development marketing. Periodic surveys by Development Counsellors International consistently find that "Dialog with industry peers" is one of the top two means by which business prospects obtain information on local business climates when evaluating potential locations (it ranked first in the most recent survey conducted in 2011). Similarly, expressions of dissatisfaction about a community's business climate are a leading indicator of a company that may leave.

A primary purpose of the Colchester Community and Economic Development Office should be to rapidly assist local businesses that request such assistance; this is currently not possible since the office is not staffed.

A major component of an effective Business Retention and Expansion program is communications and relationship building. An element of this program has historically been a business visitation program during which a detailed survey form was completed. Increasingly,

the visitation is being used for the primary purpose of relationship building with the survey being completed online. Visits need not be lengthy or focused on old-fashioned retention and expansion surveys. Rather, they should be short – no more than 15 minutes unless the business would like more time – and focused on maintaining the Town-Business communications process.

Surveys are often structured as a “Question of the Week” rather than a lengthy survey completed all at once. This has several advantages including minimizing the time required from busy business executives, and quickly generating many responses on the same issue, allowing rapid response when problems or opportunities are identified. Initiative #7 provides more direction for conducting a business survey.

All CEDAC members should be responsible for visiting one business each month. Any person seeking to join CEDAC should commit to making the time available to make these visitations.

A standardized format for maintaining information on companies and their characteristics, opinions and needs is necessary. The two most common tools are Blaine-Canada’s Synchronist program or the ExecutivePulse (E-Pulse) Business Intelligence software, both of which are in use across the country. Both are intended to streamline survey development, data collection and analysis and allow the users to look at customer data in different ways to make strategic decisions about how to best apply economic, community and workforce development resources.

In order to maintain an effective business contact program efficiently and effectively, an up-to-date list of e-mail addresses (an electronic mailing list) of all local businesses is needed so that mailings do not require the manual insertion of multiple e-mail addresses. Such lists can be segmented to allow different groupings for different purposes. This item is addressed in Initiative #2 under the Communications Plan.

Initiative #5 Major Action Steps and Schedule

Action Steps	Schedule
1. CEDO staff updates electronic business contact list established in 2012 and identifies data fields desired in a Colchester Business Database and Contact List for segmentation of mailings.	3 rd Qtr 2013 (see Initiative #2)
2. CEDO staff researches software programs (Constant Contact, SurveyMonkey, Synchronist, E-Pulse) available to manage an effective Business Retention and Expansion program and obtains those selected for use.	2 nd Qtr 2014
3. Company information is continually added as it becomes available.	Ongoing
4. CEDO staff and CEDAC develop a program of work for regular communications with companies on the list.	2 nd Qtr 2014
5. CEDO staff uses the list as needed for regular (for instance, distribution of the newsletters discussed in Initiative #2) and special communications (for instance, notification of Bills at the Legislature that	Ongoing starting in 3 rd Qtr 2014

companies may be interested in).	
6. As individual or shared business problems are identified, CEDO staff and CEDAC take appropriate action, engaging all other appropriate allies as necessary.	As needed
7. CEDAC, with CEDO staff assistance, conducts quarterly roundtable conversations with representative members of the business community to assess the climate and to daylight any hidden business needs or issues.	Quarterly beginning in 4 th Qtr 2014
8. CEDO and CEDAC, working with the Colchester Business Association (if created as discussed in Initiative #4) continually monitor Colchester business conditions to identify specific Business Retention and Expansion needs.	Ongoing

Responsibility

Primary:	Support:
<ul style="list-style-type: none"> • CEDO • CEDAC 	

Resources Needed

	Item	Amount	Possible Sources
Funding:	• Constant Contact subscription	In Initiative #2	• CE DO budget
	• Synchronist or E-Pulse subscription	\$3,200 join fee \$800 annual fee	
	• SurveyMon key	In Initiative #4	
Other:	• Staff time to administer • CEDAC time for business visitations		

Performance Measures

- Upgraded Business Retention and Expansion Program operational by August 2014
- First Quarterly Roundtable held by October 2014
- First business retention or expansion success attributable to upgraded program publicly reported by January 2015

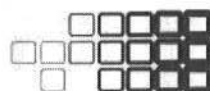
Timeframe

This Initiative is:

<input checked="" type="checkbox"/> Short-term (1-2 years)	<input type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing
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Additional Information

For a link to Development Counsellors International's most recent survey report "A View from Corporate America: Winning Strategies in Economic Development Marketing", see:
<http://www.aboutdci.com/winning-strategies/>



**Synchronist Business
Information System**

For information on Blaine, Canada Ltd.'s Synchronist Business Model software, see:
http://www.blainecanada.com/product_synchronist.html

For information on the Executive Pulse Business Intelligence system, see:
<http://www.executivepulse.com/>



Initiative #6: Available Property Inventory

Background Information

Next to an adequate supply of labor with the needed skills, the availability of real estate is the next most common factor evaluated by most businesses. A typical function of an economic development program is to provide information on available sites and buildings in the community. This is of help to businesses seeking locations, as well as to property owners and listing brokers.

While there are available properties in Colchester, available information about them is not readily available from typical sources used by business prospects and site location consultants. The Town's website provides no information or link to another source of real estate listings such as the Vermont Department of Economic, Housing and Community Development's Site Locator program – which only contains listings for five buildings and no sites in Colchester. Quite obviously there are more properties available in the Town, and the lack of a readily available list and related information may be impeding Colchester's ability to attract companies.

Colchester can help its economic development marketing efforts by doing a better job of promoting available properties in the Town by preparing and maintaining an inventory of available business properties. This inventory should be available through the economic development portion of the Town's website. In addition, the Community and Economic Development Office and CEDAC should work with owners of primary sites for business development to assure they are listed in the state's inventory. Listed sites should include vacant parcels and buildings or portions thereof, infill opportunities, additional development opportunities of underutilized sites, and redevelopment possibilities.

Aspects of this initiative include:

- Creation of a standardized format for all listed properties
- Improvement of communications channels with brokers and property owners to maximize available information
- Inclusion of this inventory on the City's economic development website, using a GIS database delivery system supplemented by a community database conforming to IEDC data guidelines, such as is provided by LocationOne Information System (LOIS).
- Sharing of information with GBIC, Chittenden County, the Vermont Department of

Economic, Housing and Community Development, and other allies	
Initiative #6 Major Action Steps and Schedule	
Action Steps	Schedule
1. Research property listing templates such as LOIS to prepare a master list of most common information topics such as: <ul style="list-style-type: none"> • Property name and address • Property size available (acres and or square feet) • Expandability • Major roads serving the property with distances to primary highways • Distance to nearest major passenger and freight airport • Status of utilities • Allowable uses by Zoning • For sites, physical features (topography, wetlands, easements) • For buildings, major features (column spacing, clear height, truck docks and doors) • Availability of rail service • For sale or lease and price • Property map and/or photographs • Contact for additional information 	3 rd Qtr 2014
2. Prepare a property listing sheet and database	4 th Qtr 2014
3. Complete property listing sheet for each available property	4 th Qtr 2014 – 1 st Qtr 2015
4. Subscribe to LOIS or similar system if found to be valuable and include collected information	2 nd Qtr 2015
5. Include a tab on the economic development portion of the Town's website where information on available properties can be found	2 nd Qtr 2015
6. Promote availability of the property listings as part of the Town's economic development marketing efforts. Share information with GBIC and the Vermont Department of Economic, Housing and Community Development. Notify commercial and industrial brokers operating in Colchester about the Available Property Inventory and ask that they notify CEDO of all newly listed properties and those that are no longer available.	3 rd Qtr 2015 and ongoing
7. Constantly maintain the list, adding and deleting properties as soon as possible after they become available or are taken off the market.	Ongoing
Responsibility	
Primary: <ul style="list-style-type: none"> • CEDO staff 	Support: <ul style="list-style-type: none"> • Property owners • Commercial/industrial brokers • CEDAC members

Resources Needed			
Funding:	Item	Amount	Possible Sources
	• LOIS fee	• Unkn wn – varies by population size	• DO budget CE
Other:	• CEDO staff time to manage the inventory		

Performance Measures

- Property listing sheet and database designed by October 2014
- Initial detailed Available Property listings completed by March 2015
- Available Property tab added to Economic Development portion of town website and listings available by May 2015
- List constantly monitored and maintained for accuracy

Timeframe

This Initiative is:

<input checked="" type="checkbox"/> Short-term (1-2 years) Start	<input checked="" type="checkbox"/> Intermediate-term (3-5 years) Initial Inventory Completed	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing
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Additional Information

For information on the LocationOne Information System (LOIS), see:

<http://www.locationone.com/>

For an example of LOIS in operation, see:

<http://www2.locationone.com/%28S%28xireeynhgk12c545yaasw3vx%29%29/PropertySearch.aspx?display=results§ion=sites>

Initiative #7: Annual Business Survey

Background Information

A primary function of a community's economic development program is to maintain effective communications between the community's leadership and business community. This relates to both Initiative #2 – Economic Development Communications Plan and Initiative #5 – Business Retention and Expansion Program. A normal part of these efforts is periodic surveying about what is on the minds of those businesses so that appropriate actions can be taken by the community's economic development program.

Under the direction of CEDAC, Colchester should undertake annual surveys of its business community to identify important opinions and needs. CEDAC should then report the results to the Select Board with recommendations for follow-up actions. The survey should be made as efficient as possible to generate maximum response. Therefore, a lengthy paper survey is not recommended. Rather, a focused, Internet-based survey using a tool such as SurveyMonkey to allow rapid response and accumulation of responses by the computer is advised.

The content areas included in surveys conducted by other economic development programs vary widely. Examples of content include:

- Basic information about the respondent's business type (with NAICS code if known), number of employees, section of Colchester in which located, length of time in Colchester, etc.
- Identification of the most important reasons why a Colchester location helps their business
- Identification of community attributes that require attention to make Colchester a better business location
- Evaluation of the effectiveness of services provided by CEDO and CEDAC
- Opinions of local issues being discussed at the time of the survey

It is recommended that some questions be repeated annually to identify trends, while other topics can be explored on a one-time basis to reflect "hot button" items at the time.

Initiative #7 Major Action Steps and Schedule

Action Steps	Schedule
1. Conduct online research to identify other communities that have recently conducted a similar survey. Where appropriate, contact these communities to obtain additional information. In particular, this should include information on "lessons learned" that can help Colchester's survey methodology be most effective.	4 th Qtr 2014
2. Create a first draft of survey questions to be asked.	1 st Qtr 2015

3. Convene a small group of business representatives to "beta test" the questions and identify necessary modifications including additional survey questions the businesses believe should be asked.	1 st Qtr 2015		
4. Create a final survey and put the questions into a SurveyMonkey or similar electronic questionnaire format.	1 st Qtr 2015		
5. Using the master contact list developed in Initiative #2 – Economic Development Communications Plan, distribute the survey to Colchester's businesses, in particular, but not limited to members of the Colchester Business Association (see Initiative #4). Allow two weeks for responses to be received. At the end of the first week, send a reminder notice to the contact list.	1 st Qtr 2015		
6. Evaluate survey results and identify highest priority response needs. Begin responses immediately where possible.	2 nd Qtr 2015		
7. Prepare a Survey Results Report and related recommendations for presentation to the Select Board and release to the public.	2 nd Qtr 2015		
8. Continually track efforts and activities related to responding to the survey. Six months after release of the Survey Results Report, issue a follow-up report to the Select Board and media on responses to survey findings.	4 th Qtr 2015		
9. Nine months after the survey, begin design of the next survey, repeating the process outlined above.	4 th Qtr 2015		
Responsibility			
Primary: <ul style="list-style-type: none">• CEDO• CEDAC	Support: <ul style="list-style-type: none">• Colchester Business Association• Select Board or other Town Departments for response to opportunities, issues, and problems		
Resources Needed			
Funding:	Item	Amount	Possible Sources
	• Constant Contact subscription	Included in Initiative #2	
	• SurveyMonkey subscription	Included in Initiative #4	
Other:	<ul style="list-style-type: none">• CEDO staff time• CEDAC time• Business willingness to participate		
Performance Measures			
■			
Timeframe			
This Initiative is:			

	<input type="checkbox"/> Short-term (1-2 years)	<input checked="" type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input checked="" type="checkbox"/> Continuing	
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Additional Information

For examples of economic development business surveys, see: <http://www.ci.garden-grove.ca.us/econdev/businessneedssurvey/en>

<http://www.surveymonkey.com/s/T5ZSQ9J>

Initiative #8: Business Prospect Tour

Background Information

Many communities make the mistake of beginning an aggressive marketing program without spending time planning how prospects will be taken care of when they indicate an interest in the community. An important element of this "Prospect Servicing Plan" is an effective Prospect Tour that quickly, effectively and memorably shows the prospect the key aspects of the community that relate to the prospect's needs.

Such a tour cannot be put together once you are in the car with the prospect; it should be designed, scripted, and rehearsed ahead of time to be most effective. It must then be tailored to best meet the needs and desires of the prospect. While there are aspects of a community that nearly every prospect wishes to see, often times there are other parts of a community a prospect specifically does or does not want to spend time visiting.

Such a tour has two components:

1. A "standardized tour" that includes the types of things the majority of prospects ask to see:
 - a) Available properties related to the prospect's needs. It may be useful to have property owners or listing brokers available at their properties to provide more detail.
 - b) Local businesses that relate to the prospect's needs
 - c) Residential areas including executive housing if management will be moving to the area
 - d) Educational facilities
 - e) Shopping and recreational areas
 - f) Government facilities
 - g) Major transportation features
 - h) Unique cultural and historical features
2. Customized features specifically requested by the prospect.

Initiative #8 Major Action Steps and Schedule

Action Steps	Schedule
1. Contact selected Vermont economic development practitioners to develop a consolidated list of types of areas most frequently asked about by business prospects.	1 st Qtr 2015
2. Identify Colchester locations and facilities that are in the categories most frequently asked about by business prospects.	1 st Qtr 2015
3. Identify unique Colchester features the Town would like to showcase in a prospect tour.	1 st Qtr 2015
4. Mark all identified features on a Town street map and plot the most efficient and effective route for the tour.	1 st Qtr 2015

5. Prepare a script that includes most important information about “stops” on the tour, as well as information to be conveyed between stops. Designate someone to be the tour leader and identify others who will be tour participants, either in the vehicle or at specific tour stops. Identify possible places to stop for a meal in a private room if necessary or take a restroom break.	2 nd Qtr 2015						
6. Conduct a practice tour with CEDAC members by driving the tour route and delivering the scripted information to determine the necessary timeframe and any needed refinements to the tour and script.	2 nd Qtr 2015						
7. Notify others who may be called upon to participate in the tour (for example, property representatives, Town Manager, Superintendent of Schools) that this is a possibility.	2 nd Qtr 2015						
8. Prepare a brief list and description of places to be included in a standard tour.	2 nd Qtr 2015						
9. When a prospect indicates a desire for a tour, send him/her the list of potential “stops” and ask if there are any the prospect does not want to see, and any types of things the prospect would like to add.	As needed						
10. For each prospect, develop a customized tour and drive it the day before the visit to identify any necessary route changes to accommodate construction or other needs. Prepare a map of the tour for the prospect.	As needed						
11. On the day of the tour, have access to an attractive, comfortable, clean van if there are multiple visitors coming to the Town in one trip, or a luxury car/SUV if there are only one or two prospects (the car or van must be clean and free of all personal material—including the trunk).	As needed						
12. Immediately after each tour, create a set of notes on what worked well and what requires adjustment.	As needed						
Responsibility							
Primary: <ul style="list-style-type: none">• CEDO staff	Support: <ul style="list-style-type: none">• CEDAC• Property owners/brokers• Others as needed for a specific tour						
Resources Needed							
Funding:	<table><tr><th>Item</th><th>Amount</th><th>Possible Sources</th></tr><tr><td><ul style="list-style-type: none">• Meal if included in the tour</td><td>\$100 per tour</td><td><ul style="list-style-type: none">• CEDO budget</td></tr></table>	Item	Amount	Possible Sources	<ul style="list-style-type: none">• Meal if included in the tour	\$100 per tour	<ul style="list-style-type: none">• CEDO budget
Item	Amount	Possible Sources					
<ul style="list-style-type: none">• Meal if included in the tour	\$100 per tour	<ul style="list-style-type: none">• CEDO budget					
Other:	<ul style="list-style-type: none">• Staff time to plan, script and run tour• CEDAC and other community members’ time to create and conduct tours• Suitable vehicle for the tour						

Performance Measures

- Tour script created and tour practiced by April 2015
- First actual prospect tour conducted by June 2015

Timeframe

This Initiative is:

☒ Short-term
(1-2 years)

☐ Intermediate-term
(3-5 years)

☐ Long-term
(5+ years)

☒ Continuing

Additional Information

Initiative #9: Malletts Bay Development Plan

Background Information

The Malletts Bay area is one of Colchester's most noteworthy features. Its importance to the community is indicated by its prominent placement in the first sentence of the Vision Statement that is part of the Colchester Heritage Project:

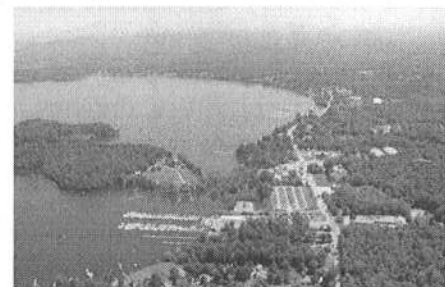
Colchester, Vermont, located on Lake Champlain's Malletts Bay, is a diverse, civic-minded community endowed with a rich heritage of commercial, agricultural, recreational, and educational gifts.

The character of Malletts Bay has changed over the years. Where once it was heavily oriented toward visitors, much of the Bay shoreline is now occupied by single family homes. There are many in the community who believe Malletts Bay is an underutilized economic development resource. There is another sizeable segment who believe this is an area whose current character helps define Colchester and its quality of place, and it should not be changed.

This dichotomy is noted in the Town's 2007 Town Plan, where the West Lakeshore Drive neighborhood is noted as a focal point for tourism and recreation, with support commercial operations aimed at recreational activities, local residents and regional commuters, while the East Lakeshore Drive neighborhood is characterized as having a high density of camps and year-round residences. While the West Lakeshore Drive neighborhood has municipal water and on-site septic, the East Lakeshore Drive neighborhood is described as having non-conforming sewage disposal systems and chronic drainage problems.

There have been planning efforts in the past that suggested changes to the area and set forth development scenarios, including a 2008 West Lakeshore Drive Conceptual Development Plan. For various reasons, no plans have had a significant amount of implementation activity, leading to a call to revisit this topic. This Initiative begins that process.

The intention is not to reinvent the wheel with another study. Rather, it is intended to move the implementation process forward, while at the same time, broadening the area of concern to include the East Lakeshore Drive area, which has its own set of problems and opportunities.



Potential elements noted during the research for this Action Plan included: development of B&Bs at the Bay to provide places for lodging; additional commercial and recreational opportunities; and services or other opportunities designed for boaters and others using the waterfront or otherwise interested in a location near the Lake. The niche Maritime target market discussed in the section on Potential Targets for Colchester broadens this focus to include a variety of maritime oriented businesses that might find desirable a location on or in close

proximity to the Bay.

Initiative #9 Major Action Steps and Schedule

Action Steps	Schedule
1. Create a Malletts Bay Development Plan Task Force comprised of area residents and businesses, Town Planning and Economic Development officials, a representative of the Select Board, and others determined to have an important role in the planning process. Assure that all participants are fully familiar with the contents of the 2008 West Lakeshore Drive Conceptual Development Plan.	2 nd Qtr 2015
2. Develop a master list of items to be considered in the research, analysis, and planning for this project. In essence, this list should be a first draft of the table of contents of the final report.	2 nd Qtr 2015
3. Identify an initial schedule for carrying out the project.	2 nd Qtr 2015
4. Create Task Force subcommittees to take responsibility for different components of the project. Establish a standardized format for each subcommittee to use when reporting its work. Again, make sure all participants are fully familiar with the contents of the 2008 West Lakeshore Drive Conceptual Development Plan. It may be advisable to conduct a group meeting of all participants to discuss the details of this Plan.	3 rd Qtr 2015
5. Each Task Force subcommittee should create a detailed work plan and schedule, and identify necessary resources for carrying out the project. If necessary, adjust the overall project schedule to allow adequate time for subcommittees to carry out their work.	3 rd Qtr 2015
6. Determine if any outside consultant assistance is needed and obtain if appropriate.	3 rd Qtr 2015
7. Schedule monthly progress report meetings where subcommittees can share progress, findings, problems, and other items.	3 rd Qtr 2015
8. Subcommittees carry out their work.	4 th Qtr 2015 – 1 st Qtr 2016
9. Upon completion of subcommittee work, which should be captured in subcommittee reports using the standardized format discussed in item #4, convene a Task Force meeting to hear all subcommittee reports.	2 nd Qtr 2016
10. With participation from subcommittee members, and building upon the West Lakeshore Drive Conceptual Development Plan, the Task Force prepares a draft Malletts Bay Development Plan including: <ul style="list-style-type: none"> any additional analysis conducted prioritized implementation recommendations and suggested schedule a capital improvement plan for appropriate items identification of available resources 	2 nd Qtr 2016

<ul style="list-style-type: none"> other appropriate items 			
11. Draft Malletts Bay Development Plan is reviewed by all participants and any necessary modifications are made to create a final plan.		3 rd Qtr 2016	
12. The Task Force presents the Malletts Bay Development Plan to the Select Board.		3 rd Qtr 2016	
13. The Select Board determines next steps, including taking the Plan to a Public Hearing.		3 rd Qtr 2016	
14. The Select Board establishes an implementation plan and initiates work.		3 rd Qtr 2016	
Responsibility			
Primary: <ul style="list-style-type: none"> Select Board Malletts Bay Development Plan Task Force and subcommittees 		Support: <ul style="list-style-type: none"> Town Director of Planning & Zoning CEDO Other Town Departments as necessary CCRPC 	
Resources Needed			
Funding:	Item	Amount	Possible Sources
	• Planning process support	\$5,000	• Town budget
	• Possible consultant support	Unknown	• Grants obtained by Town or CCRPC
Other:	<ul style="list-style-type: none"> Planning Department and CEDO support Significant volunteer time 		
Performance Measures			
<ul style="list-style-type: none"> Malletts Bay Development Plan Task Force established by May 2015 Task Force subcommittees established by August 2015 Draft Malletts Bay Development Plan available by May 2016 Final Malletts Bay Development Plan available and presented to the Select Board by July 2016 Public Hearing held by August 2016 Select Board Implementation Plan created and operational by October 2016 			
Timeframe			
This Initiative is:			
<input type="checkbox"/> Short-term (1-2 years)	<input checked="" type="checkbox"/> Intermediate-term (3-5 years) Planning	<input checked="" type="checkbox"/> Long-term (5+ years) Implementation	<input type="checkbox"/> Continuing
Additional Information			
To download the Westshore Drive Conceptual Development Plan, see:			

http://www.placesense.com/component/docman/cat_view/31-westlakeshore?orderby=dmdate_published&ascdesc=DESC

For an example of another Bay-oriented development plan, see:

<http://www.finance.gov.vg/Portals/0/CARROT%20BAY%20COMMUNITY%20DEVELOPMENT%20PLAN.pdf>

Initiative #10: Package Treatment Plant Study

Background Information

The lack of sewers in Colchester's I-89, Exit 17 area is an impediment to economic development there. Most businesses seek sites with full utilities and telecommunications services. While very small businesses may be able to operate from a septic system, the majority of businesses prefer not to.

Across the country, an increasingly used approach to meeting this need is a package treatment plant – a small, self-contained sewage treatment system designed to service a relatively limited area. Many of Vermont's ski areas use such a system.

As in many communities concerned with protecting their environmental quality, there is concern in Colchester about the reliability of package treatment plants despite the fact that there are already such systems operating in the State. These concerns are generally caused by a lack of knowledge about modern package treatment systems, their capabilities, and their reliability.

Because of these concerns, the Town should have prepared a detailed and objective study of package treatment plants and if and how they could be used to address the lack of sewers in the Exit 17 area or other portions of the community in order to increase the possibilities for additional business investment. While a similar study was undertaken in 2002, it is time to revisit the issue.

Initiative #10 Major Action Steps and Schedule

Action Steps	Schedule
1. Develop a list of questions to be answered in a Package Treatment Plant Study.	3 rd Qtr 2015
2. Issue a Request for Qualifications (RFQ) that includes the questions to be answered and asks for an approximate price for conducting the study. Notice of the RFQ should be published in a cross section of newspapers to maximize the chance of reaching qualified experts on the topic.	3 rd Qtr 2015
3. Receive RFQ responses.	4 th Qtr 2015
4. Include the budget for this study in the Town's annual budget for the Select Board, Public Works Department, or Community and Economic Development Office.	1 st Qtr 2016

5. From the responses to the RFQ, select a limited number of qualified vendors for receipt of a full Request for Proposals (RFP).	2 nd Qtr 2016						
6. Prepare a detailed RFP and issue it to the prequalified vendors selected to receive it.	2 nd Qtr 2016 if budget is approved						
7. Select a vendor and execute a contract for work.	3 rd Qtr 2016						
8. Receive the Package Treatment Plant Study from the vendor.	4 th Qtr 2016						
9. Use the results of the Package Treatment Plant Study to determine how to proceed with having more business sites with adequate wastewater treatment capability in Colchester.	As Appropriate						
Responsibility							
Primary: <ul style="list-style-type: none"> Select Board 	Support: <ul style="list-style-type: none"> Public Works Department CEDO 						
Resources Needed							
Funding:	<table border="1"> <thead> <tr> <th>Item</th> <th>Amount</th> <th>Possible Sources</th> </tr> </thead> <tbody> <tr> <td> <ul style="list-style-type: none"> Consultant for Package Treatment Plant Study </td> <td> To be determined by RFQ and RFP Estimate \$25,000 </td> <td> <ul style="list-style-type: none"> Town budget </td> </tr> </tbody> </table>	Item	Amount	Possible Sources	<ul style="list-style-type: none"> Consultant for Package Treatment Plant Study 	To be determined by RFQ and RFP Estimate \$25,000	<ul style="list-style-type: none"> Town budget
Item	Amount	Possible Sources					
<ul style="list-style-type: none"> Consultant for Package Treatment Plant Study 	To be determined by RFQ and RFP Estimate \$25,000	<ul style="list-style-type: none"> Town budget 					
Other:	<ul style="list-style-type: none"> 						
Performance Measures							
<ul style="list-style-type: none"> RFQ issued by September 2015 Study funding included in adopted FY 2016-2017 budget RFP issued by July 2016 RFP responses received and contract executed with vendor by August 2016 Package Treatment Plant Study received by November 2016 Actions approved by Board of Selectmen for implementation of the Study recommendations beginning January 2017 and continuing as necessary 							
Timeframe							
This Initiative is:							
<input type="checkbox"/> Short-term (1-2 years)	<input checked="" type="checkbox"/> Intermediate-term (3-5 years)	<input type="checkbox"/> Long-term (5+ years)	<input type="checkbox"/> Continuing				
Additional Information							
For an example of a County Package Treatment Plant Policy and Procedure, see: http://www.sonoma-county.org/prmd/docs/policies/1-4-3.pdf							
For a Package Treatment Plant User Guide, see: http://www.cleanstream.co.uk/downloads/CleanStream%20Sewage%20package%20treatment							

[%20plants%20User%20Guide.pdf](#)

For literature on package treatment plants and providers, see:

<http://www.pollutioncontrolsystem.com/Page.aspx/31/PackagePlants.html>

[http://www.water.siemens.com/en/products/biological treatment/wastewater package treatment plants/Pages/default.aspx](http://www.water.siemens.com/en/products/biological_treatment/wastewater_package_treatment_plants/Pages/default.aspx)

<http://www.cstwastewater.com/package-treatment-plants>

APPENDICES

A. Statistical Background Data – Town of Colchester, VT

B. Employer Survey