

Department of Economic Development

COMMISSIONER

Joan Goldstein

DEPUTY COMMISSIONER

Brett Long

STAFF: 22 (FY 2020)



Summary of FY 2019 Impacts

371
NEW
VERMONTERS

\$28.1 M
VEGI QUALIFYING DIRECT
NEW PAYROLL, TOTAL

\$8.9 M
TIF GENERATED
INCREMENTAL REVENUE

1,638
VERMONT EMPLOYEES
APPROVED FOR
TRAINING

FY 2019 Major Department Highlights

Remote Worker Grant Program (2019)

The Remote Worker Grant Program provides an incentive to individuals who move to Vermont and work remotely for their employers. Reimbursable expenses include moving costs and job-related expenses such as connectivity costs and specialized tools and equipment.



371

New Vermonters
(140 remote workers;
231 family members)



\$3,571

Average Grant
Amount



68

Vermont towns from
39 states and the UK



5,165

Total Application
Downloads (plus 5,344
FAQ downloads)

Vermont Economic Progress Council

Independent council of citizens and legislators that serves as an approval and authorization body for the Vermont Employment Growth Incentive (VEGI) program and the Tax Increment Financing (TIF) District program.



\$28.1 M

Qualifying Direct New
Payroll, Total (VEGI 2017)



579

Qualifying Direct New
Jobs, Total (VEGI 2017)



\$8.9 M

Total Incremental
Revenue (TIF 2018)



\$6.3 M

Public Infrastructure
Investment (TIF 2018)

Vermont Training Program (VTP)

Funding available to employers to defray a portion of the expenses of training personnel. Can be vendor training or on the job.

* Statewide median wage 6.2%



\$1.2 M

General Fund
Appropriation



60

Total Businesses
Served



1,638

Vermont Employees
Approved for Training



10.4%

Median Wage Increase
from FY18 to FY19 *

Procurement Technical Assistance Center (PTAC)

Team of 7 located throughout the state to help businesses secure contracts from local, state, and federal government.



\$840,278

Federal Award and
General Fund Match



\$168 M

Total Dollar Value of
Contracts Assisted



2,304

Hours of Counseling Time
for Client Support



3,503

Number of Contracts Won

Captive Insurance

Market to global businesses to domicile their captive insurance company in Vermont.



\$530,350

Special Funds
(FY19)



\$26.13 M

Taxes and Fees
Generated (2018)



22

Captives Licensed
(2019)



560

Number of
Active Captives

FY 2021

PROPOSED GENERAL
FUND APPROPRIATION:

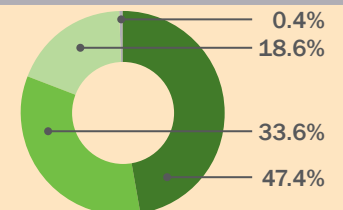
\$5 M

BUDGET

\$10,467,280

- General Funds
- Federal Funds
- Special Funds
- All Other Funds

\$4,958,161
\$3,518,769
\$1,945,350
\$45,000



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EXECUTIVE DIRECTOR, VERMONT ECONOMIC PROGRESS COUNCIL

Megan Sullivan

















STAFF: 2 (FY 2020)



The Vermont Economic Progress Council is an independent council of citizens and legislators that serves as an approval and authorization body for the Vermont Employment Growth Incentive (VEGI) program and the Tax Increment Financing (TIF) program.

VEGI: Performance-based cash incentive (not a tax credit) paid to approved companies for job and payroll creation in any region of the state and in almost any sector.

TIF is a public infrastructure financing tool for municipalities to stimulate public and private real property development or redevelopment, causing growth in taxable values and new property tax revenue.

Vermont Economic Progress Council (VEPC)						
VERMONT EMPLOYMENT GROWTH INCENTIVE (VEGI)						
Highlights	Pipeline (2019)	2017 Activity Actual data from calendar year 2017 <i>* Data is reported on a 2-year lag, so claims for 2017 were filed with tax in April 2018 and reported to VEPC in 2019. Later in 2020, we will have access to 2018 data.</i>	 \$28.1 M Qualifying Direct New Payroll, Total	 579 Qualifying Direct New Jobs, Total	 \$66.8 M Qualifying Direct Capital Investment, Total	 41 Net Claims Included in Actual Data
	54 INQUIRIES	Totals Since Program Inception (2007–2017)	 \$397 M Qualifying Direct New Payroll, Total	 6,795 Qualifying Direct New Jobs, Total	 \$896.7 M Qualifying Direct Capital Investment, Total	 \$25.6 M Disbursements
	\$3,769 COST PER JOB CREATED		72% ACTIVE/COMPLETED BUSINESSES HAVE FEWER THAN 100 EMPLOYEES	17 PRE-APPLICATIONS	7 FINAL APPROVALS	
TAX INCREMENT FINANCING (TIF)						
Highlights	2018 Activity Figures for all TIFs for fiscal year 2018 (July 1, 2017–June 30, 2018) <i>** Data is reported to VEPC annually by February 15. Fiscal year 2019 data will be reported to the Legislature by April 1, 2020.</i>	 \$8.9 M Total Incremental Revenue	 \$816,000 New Incremental Revenue to Education Fund	 \$6.3 M Public Infrastructure Investment	 \$9 M Increase in Property Values	
	11 TIF DISTRICTS	Projections Figures for all TIFs from FY2019 through FY2038. Data includes newly approved TIF districts in Bennington and Montpelier.	 \$306 M Total Incremental Revenue	 \$49.6 M New Incremental Revenue to Education Fund	 \$202.5 M Public Infrastructure Investment	 \$612.5 M Increase in Property Values
\$346.7 M INCREASE IN TAXABLE VALUE	\$61.7 M TOTAL WORK PERFORMED BY VT FIRMS					

Department of Economic Development

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Joan Goldstein

DIRECTOR OF FINANCIAL SERVICES

Ian Davis

STAFF: 1 (FY 2020)



Summary of FY 2019 Impacts

22
CAPTIVES
LICENSED

\$26.13 M
TAXES & FEES
GENERATED
(2018)

560
ACTIVE
CAPTIVES

Captive Insurance (2019 Highlights)

"The Gold Standard"

Since 1981, when Vermont was one of the first states to adopt captive enabling legislation, the state has been at the forefront of the captive insurance industry.



39
Year-History of
Captive Insurance



1,159
Captives Licensed
(since 1981)



\$533.2 M
Taxes and Fees Generated
(since 1981)



#1
U.S. Domicile

Vermont's Captive Industry

Vermont's extensive network of captive management firms and service providers are significant positive contributors to the state's economy.



936
Direct and Indirect
Jobs (2018)



\$91,552
Average Annual
Wage (2018)



\$66.9 M
Contribution to State
Labor Income (2018)



\$158.4 M
Contribution to State
GDP (2018)

Vermont's Captives by the Numbers

Vermont's sophisticated regulatory framework and professional approach continues to attract the highest quality companies, including many of the nation's well-known Fortune 500.



\$194 B
Assets Under Management



\$21.7 B
Gross Written Premium



48
of the Fortune 100



18
of the Dow 30

Marketing and Business Development Activities

The captive insurance marketplace is highly competitive and a variety of approaches are employed to ensure Vermont maintains its top-level status.



25+
National and International
Speaking Engagements



6,000+
VT Captive
Subscribers



1.5 M
Targeted Digital
Marketing Impressions



1 M+
Reach of Vermont
Report (2018)

Financial Services (Captive Insurance): Promotes Vermont's leading position as the top U.S. domicile for captive insurance and seeks out new and diversified opportunities in complimentary financial services industries. Strategies include the development and implementation of marketing plans, providing policy recommendations to state and federal policymakers to assure a beneficial business environment for expansion and relocation within the state, and acting as a spokesperson on behalf of Vermont to the global captive insurance industry.

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DIRECTOR, WORKFORCE DEVELOPMENT PROGRAMS

John Young

STAFF: 1.5 (FY 2020)



Summary of FY 2019 Impacts

60

TOTAL BUSINESSES
SERVED

\$2.2 M

TOTAL TRAINING
GRANTS AWARDED

1,638

VERMONT EMPLOYEES
APPROVED FOR TRAINING

Vermont Training Program (VTP):
VTP partners with employers and training providers to train Vermont's employees for the jobs of tomorrow. VTP provides performance based workforce grants for pre-employment training, training for new hires and incumbent workers. Training can either be on-site or through a training provider/vendor. Grants may cover up to 50% of the training cost.

Vermont Training Program (FY 2019 Highlights)

PART OF BUSINESS SUPPORT UNIT

FY19 Overview

* Statewide median
wage 6.2%



\$1.2 M

General Fund
Appropriation



60

Total Businesses
Served



1,638

Vermont Employees
Approved for Training



10.4%

Median Wage Increase
from FY18 to FY19 *



\$1,375

Average Cost
Per Employee

Vermont Regions Served: TOTAL GRANT DOLLARS



\$1,282,053

Northwest



\$173,942

Northeast



\$421,996

Central



\$242,012

Southwest



\$132,483

Southeast

Vermont Regions Served: NUMBER OF EMPLOYEES APPROVED FOR TRAINING



841

Northwest



197

Northeast



215

Central



163

Southwest



222

Southeast

Employer Size Served



15

Employers Served with
0-19 Employees



7

Employers Served with
20-49 Employees



11

Employers Served with
50-99 Employees



27

Employers Served with
100+ Employees



37%

Employers Served with
0-49 Employees

% of Funds Employee Size



13%

Employers Served with
0-19 Employees



13%

Employers Served with
20-49 Employees



10%

Employers Served with
50-99 Employees



64%

Employers Served with
100+ Employees



26%

Employers Served with
0-49 Employees

Average Cost Per Employee



\$2,549.25

Employers Served with
0-19 Employees



\$2,106.40

Employers Served with
20-49 Employees



\$1,231.99

Employers Served with
50-99 Employees



\$1,204.51

Employers Served with
100+ Employees



\$2,308.34

Employers Served with
0-49 Employees

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Representative Successes

WCEDP

The recent expansions of Whitney Blake Company and WW Building Supply advanced with funding from WCEDP.

Brownfields Initiative

Two ribbon cuttings occurred in 2019 to celebrate remediated sites: Robertson Paper Mill and Richmond Creamery.

NBRC

52% of projects funded critical infrastructure such as wastewater/water.

PTAC

Assisted Vermont contractors with a new VTrans contract vehicle, resulting in 85 successfully awarded JOC contracts.

Business Support (FY 2019 Highlights)

Windham County Economic Development Program (WCEDP)

Grants, loans, and incentives using 5-year funding provided through the Entergy/State MOU to promote economic development in Windham County.



\$8.7 M

Program Dollars Invested to Date (Since 2014)*



\$625,000

Loans, Grants, and Incentives Obligated (2019)



33

Jobs Created (2019)



3

Businesses and Nonprofits Directly Impacted (2019)

Office of Economic Adjustment (OEA)

Funding awarded by Department of Defense to help defense-related businesses develop accelerated growth and innovation in the Defense Industry Supply Chain.



\$2.0 M

Federal Awards (to date)



3

Awards Secured



\$115,344

Funds Expended on Capability Enhancements



22

Businesses Served

State Trade Expansion Program (STEP)

Funding awarded by Small Business Administration to help businesses win more opportunities to export.



\$477,289

Federal Award (FY 2019)



50

Businesses Assisted



\$1.85 M

Export Sales Reported



\$12.2 M

Export Sales Projected

Northern Border Regional Commission (NBRC)

Quasi-federal 4 state partnership availing grant funds to non-profits and municipalities statewide.



146

Jobs Created or Retained



\$8.5 M

Federal Dollars Invested



\$29.6 M

Private Dollars Invested



16

Community Projects Served

Brownfields Initiative

Funding awarded by the Environmental Protection Agency to support redevelopment of brownfields into productive community assets. Funds are provided as grants to non-profits or low-interest loans to for-profit entities. (Since Program origination in 2009)



\$5.75 M

Federal Awards (to date)



\$4.98 M

Funds Awarded to Redevelopments (to date)



\$70.6 M

Redevelopment Dollars Leveraged (to date)



32

Property Clean-ups Complete

Federal grant programs bring various resources to foster economic development around the state.

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Business Support (FY 2019 Highlights)

Regional Development Corporations (RDC)

Twelve Regional Development Corporations partner with the State to provide technical assistance, access to state programs and resources, and local expertise.



\$1.3 M
General Fund
Appropriation Grants



41
Business Creations



94
Business Expansions



1,591
Jobs Impacted
(created and retained)

Vermont Center for Emerging Technologies

Funding provides entrepreneurs and emerging growth firms with substantive mentoring, technical assistance, co-working facilities and management of the Vermont Seed Capital Fund.



\$100,000
Funds Awarded



259
Start-ups, Entrepreneurs
and Expanding Firms Served



220
Co-Working Memberships
Sustained



36
Businesses Served with
Co-Working Memberships

Vermont Employee Ownership Center

Funding supports guidance and referrals to owners and employees interested in forming employee-owned businesses.



\$69,660
Funds Awarded



5
Intro to Ownership
Succession Seminars



241
Attendees at the Vermont
Employee Ownership
Conference



49
Businesses Served with
Repeated Technical
Assistance

Vermont Small Business Development Center

Funding strengthens the ability of Vermont small businesses to: create jobs, secure capital, build wealth, use technology to improve efficiency, assist with continuity of operations planning and make connections. (Federal fiscal year)



\$357,400
Funds Awarded



\$31.17 M
New Capital
Formation



52
New Businesses
Started



147
Jobs Created



406
Jobs Retained

UVM Office of Technology Commercialization

Funding promotes an innovation ecosystem that supports economic development in Vermont by stewarding UVM discoveries through the commercialization process.



\$100,000
Funds Awarded



3
Venture Fund
Grants Committed



1
New Patent Application
Submitted



1
Accepted into
Multi-State
Incubator Program

Department of Economic Development

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Vermont 2019 Northern Border Regional Commission Grant Details

	PROJECT COST	AMOUNT AWARDED	LOCATION
ECONOMIC & INFRASTRUCTURE DEVELOPMENT PROGRAM			
City of St. Albans: Build basic public infrastructure to redevelop the former Fonda/solo manufacturing site.	\$887,912	\$443,956	St. Albans
Vermont Community Loan Fund: Funding to launch a new lower-interest revolving loan fund to support capital needed for Vermont's working lands, forestry and outdoor recreation sector entrepreneurs.	\$830,006	\$250,000	Montpelier
City of Winooski: Install 0.75 miles of new municipally-owned underground infrastructure (ducting) to house electric power transmission lines and telecommunications equipment.	\$5,346,200	\$450,000	Winooski
Burke Fire District #1: Replace/install 2.4 miles of water mains, services, a new well, storage tank and water meters to allow continued growth in this busy recreational area.	\$3,580,000	\$185,000	Lyndonville
Northeastern Vermont Development Association: Identified NEK as OR trails destination in order to attract new businesses, create new jobs and increase the activity at local businesses.	\$343,290	\$250,000	St. Johnsbury
Let's Grow Kids: The Make Way for Kids (MWFK) project supports job retention by enabling parents with children 0-5 to stay in/return to the workforce.	\$836,231	\$250,000	Burlington
Alburgh School District: Build childcare center, thus creating related onsite childcare jobs and allowing families with young children to enter the workforce.	\$1,000,000	\$250,000	St. Albans
City of Newport: Improve pedestrian and motorist safety at Newport's downtown gateway by updating traffic signals.	\$613,500	\$250,000	Newport
Vermont Business Roundtable: Support for Vermont Talent Pipeline Management to provide new jobs and train employees; overcome workforce shortage. \$40k to OREC/VOBA development.	\$384,615	\$250,000	South Burlington
Town of Randolph: Replace North Reservoir water tank to improve water quality and allow for additional water allocations to further economic development.	\$1,925,000	\$450,000	Randolph
Vermont Council on Rural Development (VCRD): VCRD's Community Visits and Strategic Economic Interventions will advance local democracy and spur economic vitality of communities.	\$192,000	\$122,000	Montpelier
Southern Windsor County Incubator: Support construction of the Black River Innovation Campus (BRIC) in Springfield, VT. BRIC will bring new economic vitality to Springfield through scalable entrepreneurship-based digital economy jobs, creating at least 6 tech-based startup companies and 60 coding jobs by year 3.	\$250,000	\$235,162	Hartland
College of St. Joseph: To create a business plan and ecosystem map to build a center for innovation towards reinventing the use of the Rutland campus.	\$50,000	\$50,000	Rutland
Town of Bristol: Sewer and wastewater expansion.	\$14,179,000	\$250,000	Bristol
Northeast Kingdom Development Corporation: Build-out electrical infrastructure and power distribution at the Gilman Paper Mill site to enable on-site commercial usage.	\$836,809	\$319,000	Gilman
TOTAL	\$31,254,563	\$4,005,118	
REGIONAL FOREST PARTNERSHIP PROGRAM			
Brattleboro Development Credit Corporation: Design and permit a biomass combined heat and power energy plant at Long Falls Paperboard.	\$2,012,550	\$1,000,000	Brattleboro
Vermont Technical College: Create educational pathways to train and educate a skilled workforce in the forestry field.	\$1,300,000	\$1,000,000	Statewide Impact
Vermont Housing and Conservation Board: Advance the agricultural economy by launching the Northeast Agricultural Business Assistance Network.	\$960,092	\$624,060	Statewide Impact
Preservation Trust of Vermont*: Establish the Northern Heritage Economy Program in Vermont (and ME, NH, NY).	\$1,515,153	\$1,000,000	Statewide Impact
Northern Forest Center*: Launch the Northern Forest Rural Destination Development Initiative in Vermont (and ME, NH, NY).	\$1,135,346	\$908,277	Statewide Impact
TOTAL	\$6,923,151	\$4,532,337	

* Allocation from a 4 state award.

as of 01.30.20