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3 **Our Economy**

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5 **VISION:** We will continue to strengthen the diverse local economy while preserving our natural
6 resources and quality of life.

7

8 **GOALS:** ~~PTo~~ provide long term financial viability and sustainability in our community by
9 making strategic decisions and investments in our physical and social infrastructure. This will
10 enable us to compete regionally and globally while enhancing our economic base.

11

12 **OBJECTIVES:** Colchester will support current and future economic drivers, provide the
13 necessary physical and social infrastructure, and leverage our assets and resources while
14 preserving our natural assets and quality of life.

15

16 **HISTORY OF OUR ECONOMY**

17 Colchester's economic beginnings were grounded in agriculture with smaller sectors such as
18 milling, quarrying, maritime trade, and retail contributing to the agricultural economy. As the
19 twentieth century approached, industrialization flourished along the Winooski River as woolen
20 mills were constructed in the Town's urban core of Winooski. In 1922, the City of Winooski
21 separated from the rest of Colchester removing ~~two-thirds of the community's population and its~~
22 industry ~~and~~ converting the Town of Colchester back to an agrarian community. During the
23 mid-twentieth century Colchester became home to a significant summer seasonal cottage
24 community as the Town's natural relationship with Lake Champlain became a source of tourism.
25 This summer seasonal influx increased the service economy of Colchester. With the introduction
26 of International Business Machines in the neighboring Town of Essex in the 1960's, Colchester
27 transitioned to a suburban bedroom community for the greater Burlington area. Colchester
28 remained without a significant commercial or industrial base well into the 1980s.

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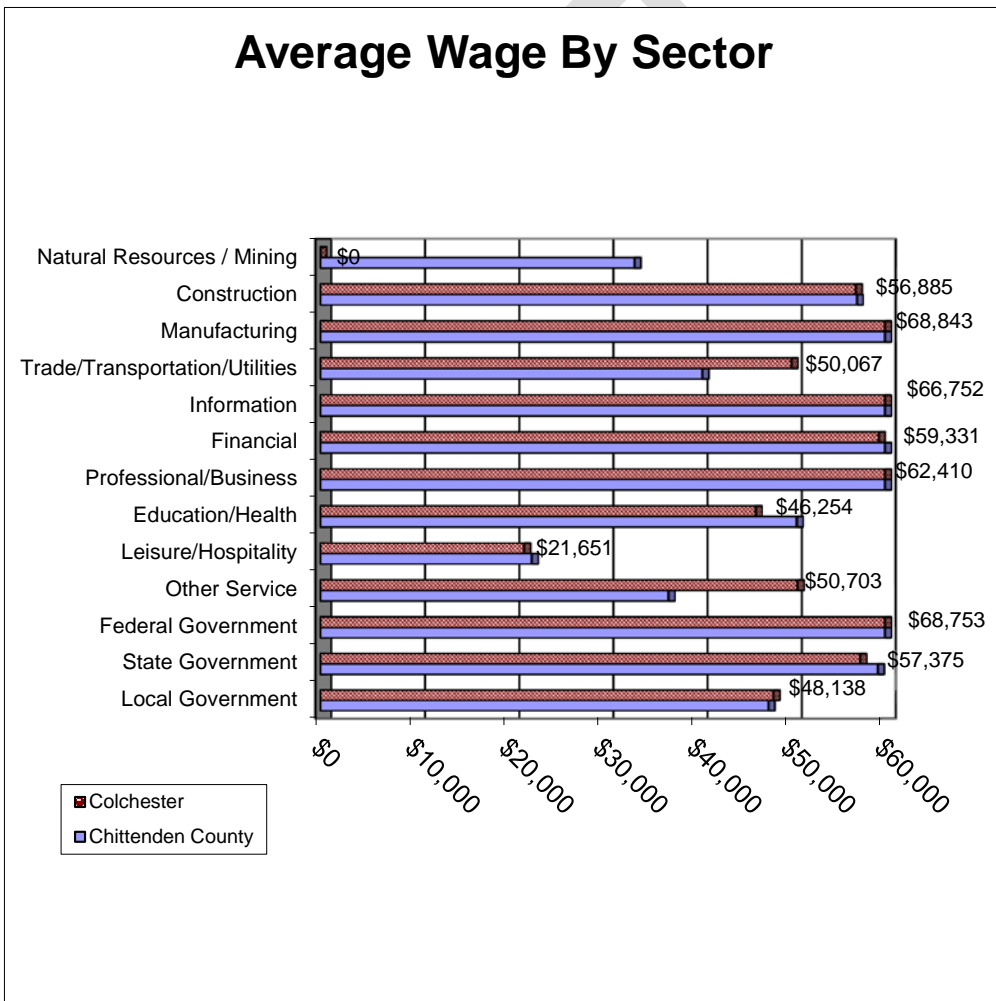
30 The 1980s saw the development of Exit 16 as a commercial and industrial center. Since that
31 time, Colchester has transitioned ~~from a bedroom community~~ to an employment center ~~from a~~
32 ~~bedroom community~~. The number of jobs per capita increased from 0.15 in 1980 to 0.33 in
33 1990, to 0.50 in 2000 sustaining into 2010 indicating that Colchester is now ~~becoming a~~
34 ~~significant~~ part of the employment center of Chittenden County. In 2018 the number of jobs per
35 capita is projected to be .56, a slight increase, with 1.5 jobs per household in Colchester. The
36 majority of job growth was within the private sector with the trade, transportation, and utility
37 sector excelling ~~as well as in addition to~~ education /health and manufacturing. In the early twenty
38 first century, job growth increased in every sector except manufacturing which saw a decline.
39 The trade, transportation, ~~and utility,~~ ~~sector as well as~~ ~~and the~~ education /health sectors nearly
40 doubled ~~the number of jobs in each sector~~ between 1990 and 2006. The local economy during
41 this time reflects regional and national trends toward decreases in manufacturing and increases in
42 service sector jobs.

43

44 In 2005 the Town participated in the Chittenden County Comprehensive Economic Development
45 Strategy (CEDS) planning process, -which identified county-wide opportunities and challenges
46 for economic development. The Town should continue to participate in such regional and state-
47 wide conversations about economic development as it exists within these larger markets ~~and, to~~
48 ~~some extent,~~ ~~the~~ Town's economic development will be dependent upon the ~~trends and~~ health
49 of these larger markets.

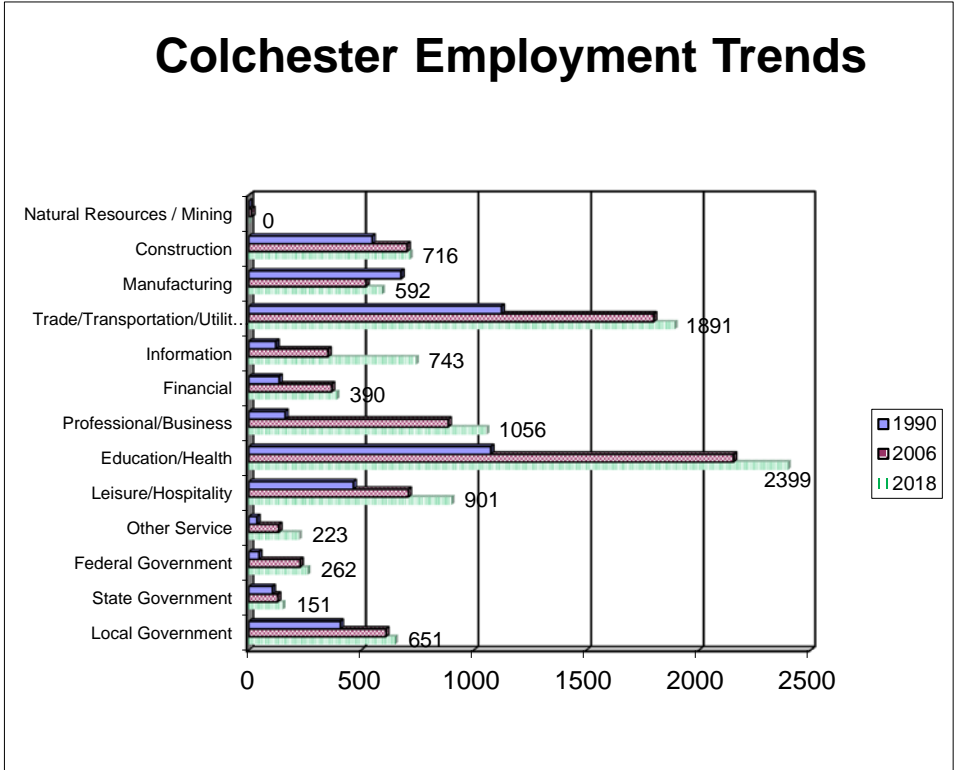
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51
 52 **PRESENT**
 53 Recently, local job growth has stabilized with continuing trends toward increases in services and
 54 decreases in manufacturing-~~continue~~. It should be noted that the service sector includes medical
 55 services, such as those provided by the UVM Health Network, as well as retail and personal
 56 service jobs. The Town currently has 9,999 jobs or 9.7% of the County's total employment.
 57 Employment growth has outpaced population growth for the past decade with current projections
 58 indicating this trend will continue.
 59
 60 Historically, jobs within Colchester paid less than average for Chittenden County with the 1978
 61 wage 84.7% of the County's average. As of 2017, the average wage in Colchester is \$51,522 or
 62 98% of the County's average wage. As the Town continues to grow, the quantity and quality of
 63 jobs should ~~continue to be enhanced as well as the number of jobs~~. The development of well-
 64 paying, livable wage jobs should be encouraged.
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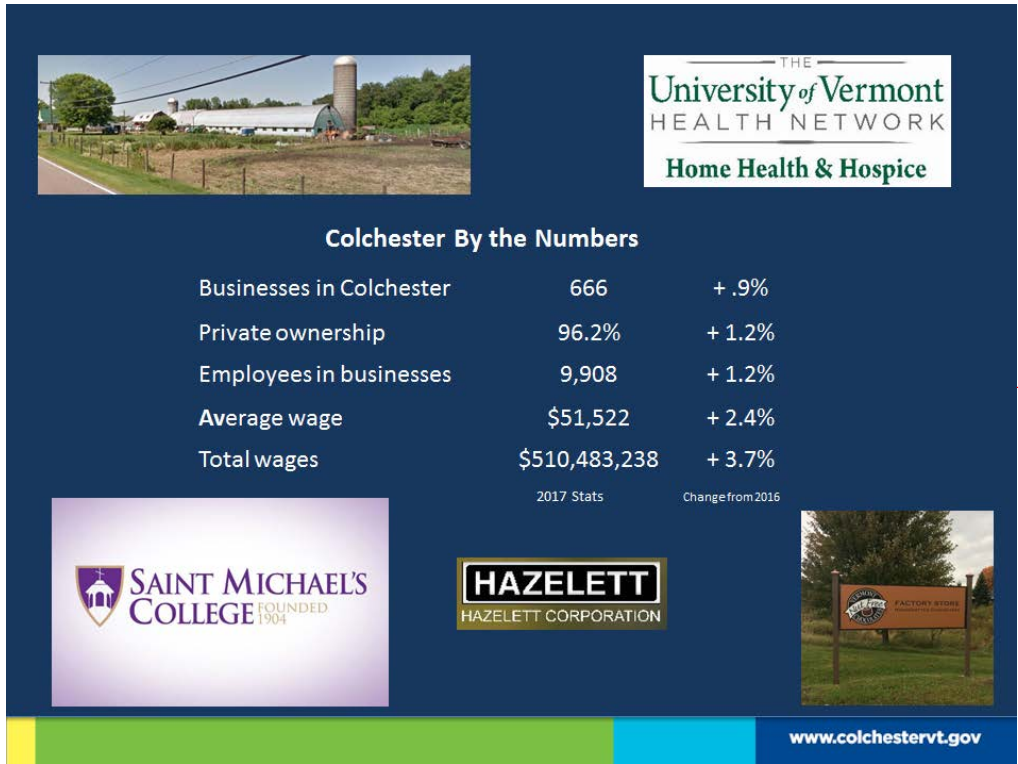
66 Source: Vermont Department of Labor and Industry
 67
 68

69 The Town of Colchester encourages sustainable and diverse economic growth that creates well-
 70 paying, livable wage jobs. The community's attributes should be utilized to foster economic
 71 development through the use of such tools as tourism and recreation. Colchester's land use
 72 planning should shape appropriate areas for economic development with diverse opportunities
 73 including agri-tourism in rural areas and opportunities for high-tech industry in appropriately
 74 infrastructured areas such as Exit 16. To this end, the community should continue to be
 75 supportive of small business development and foster the growth of emerging technologies.
 76



77 Source: Vermont Department of Labor and Industry and includes part-time, temporary, seasonal,
 78 and full-time positions.
 79

80
 81
 82 With the majority of Colchester's business located between the Winooski border, Exit 16 and
 83 Severance Corners, this planned growth has become essential to Colchester's sustainable growth.
 84 Medical, manufacturing and education continue to be the top industries in Colchester, with
 85 service industries well represented in our largest employers. Colchester's largest employers
 86 currently are: Green Mountain Power, UVM Med Center, VNA, St. Michael's College, Colchester
 87 Colchester School District, Vermont Information Processing, Engelberth, Hazelett Strip Casting
 88 and Champlain Cable.
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The infographic features a dark blue background with white and green text. At the top left is a photo of a farm. At the top right is the logo for 'THE University of Vermont HEALTH NETWORK Home Health & Hospice'. The central section is titled 'Colchester By the Numbers' and contains a table of statistics. Below the table are logos for Saint Michael's College and Hazelett Corporation, along with a photo of a 'FACTORY EDGE' sign. The bottom right corner includes the website 'www.colchestervt.gov'.

	2017 Stats	Change from 2016
Businesses in Colchester	666	+ .9%
Private ownership	96.2%	+ 1.2%
Employees in businesses	9,908	+ 1.2%
Average wage	\$51,522	+ 2.4%
Total wages	\$510,483,238	+ 3.7%

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Heritage Project & Economic Development Action Plan: In 2012 and 2013 Colchester staff and citizens developed the Heritage Project, a Community Strategic Plan and the Economic Development Action Plan. These two reports are ongoing barometers used today to gauge and steer Colchester into the future.

In evaluating ~~specific~~ economic development ~~specific~~ issues of the Heritage Project, the following have been accomplished.

- Increase non-residential Tax Base to reduce property taxes: 2019 tax rate is lower than 2012. Non-residential grown from 41% to 46% of grand list since 2012.
- Economic Development: \$20M in improvements to Severance Corners; Vermont Nut Free Chocolates; Green Mountain Surgery Center.

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- The ten initiatives of the Economic Development Action Plan have been addresseds as follows:
1. Colchester Branding Program and Market Niche Development – The branding campaign launched in 2013 and is a continual project for the Economic Development Department.
 2. Economic Development Communications Plan – Communications are essential to our marketing and market niche efforts. Focusing on Social Media has had the most effective results. Our communications plan is an integral part of the Town’s efforts.
 3. Economic Development Team-Building Program – The efforts of team building are evident in the inter-departmental approach used at the Town as well as partnerships with local, regional and state organizations.
 4. Colchester Business Association – The Economic Development office works in conjunction with the Colchester Community Development Corporation (CCDC) and

118 meets with them at their regularly scheduled bi-monthly meetings. As CCDC is utilized
119 as an advisory board by the Director of Economic Development, there is no need to
120 create another entity.

121 5. Business Retention and Expansion Program – A fundamental services of our Economic
122 Development Department is the retention and expansion of existing businesses and the
123 recruitment of new business. This service has been in place and will continue to be a
124 cornerstone of the Town’s effort.

125 6. Available Properties Inventory- The Economic Development Department has an ongoing
126 inventory of available buildings, vacant spaces and land. A website with this information
127 is anticipated in 2019.

128 7. Annual Business Survey – The Colchester Community Development Corporation holds
129 an annual meeting as well as meets with local legislators and the business community.
130 The Economic Development Department is continually in contact with businesses,
131 providing the opportunity to directly communicate concerns, impediments and issues
132 facing their businesses. An annual survey is not justified at this time.

133 8. Business Prospect Tour- Business Prospect tours are handled directly through the
134 Economic Development Office. These tours are not limited to prospects but also are
135 given to “partners and organizations” involved in the economic development process who
136 may be instrumental in highlighting Colchester as a place for investment.

137 9. Malletts Bay Development Plan – This is part of the Malletts Bay Initiative that began
138 with a land use plan and rezonings along West Lakeshore Drive to allow for infill and
139 redevelopment that reinforces the character of the area. This was completed in 2015.
140 ~~H~~However, during the term of this plan, road, sewer, and the Bayside Park Master Plan
141 will move forward reinforcing the Initiative and creating a more comprehensive
142 implementation plan.

143 10 Package Treatment Plant Study – The prohibitive cost of Colchester constructing our own
144 wastewater treatment facility has resulted in a proposal for utilizing capacity already
145 designated to our community and distributing it to the inner bay area.

146

147 Colchester ~~has is~~ effectively branded ~~as ourselves as~~ a good-great place to work, play and live.
148 Colchester was the only municipality in Vermont to be named in both 2015, ~~and 2017,~~ and 2018
149 to Money Magazine’s “Best Places to Live in America”. In the 2013 Economic Development
150 Action Plan, the first initiative was to develop a *Branding Program and Market Niche*
151 *Development*. Over the last five years the town has launched a successful branding campaign
152 that has incorporated almost every aspect of our marketing initiatives. Understanding that this is
153 ongoing effort, the town will continually re-evaluate our marketing approaches and systems of
154 delivery.
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FUTURE

160 As we look to our future, it is recognized that Colchester's markets will reflect the Chittenden
161 Country economy, and to a lesser extent, the State's. While Colchester can distinguish our
162 ~~community~~ ~~elves~~ within the County and State with our cost, location, and quality of life, we are
163 subject to the larger market forces of the area. It is anticipated that Colchester will continue to
164 see incremental but positive growth during the term of this plan. Unlike ~~the County and~~ other
165 market areas, Colchester enjoys a slow and steady pace of growth without major ebbs and flows.
166 By continuing to support regulatory strategies that encourage flexibility and multi-use sites, the
167 Town will encourage small business and new enterprise growth without the need for large scale
168 infrastructure modifications. As existing micro and small businesses need to expand, the Town
169 has identified expansion sites that allow these businesses to grow within Colchester. An analysis
170 of Colchester has yielded that there are sufficient sites, zoned appropriately, to sustain this
171 planned economic growth over the term of the plan and into the future. Infill sites will drive
172 most of the expected growth.

173

174 Colchester's economic development should continue to be focused within its existing
175 commercial / industrial area at Exit 16 and its growth center at Severance Corners. These areas
176 have been designated for commercial growth, benefit from municipal infrastructure, and should
177 be where growth continues to be focused. Village areas such as the Fort, Colchester Village,
178 Inner Bay, Prim-/ Warner's Corners-/ Heineberg Drive, and Exit 17 should continue to focus on
179 the development of ~~both of~~ small businesses ~~with broader markets~~ and neighborhood ~~scale~~
180 services. The Fort is a cultural and media center for Colchester with a variety of television and
181 radio stations. The Inner Bay, given its location, has the potential for increased recreation and
182 tourism opportunities. These village locations provide opportunities to create individualized
183 business districts specializing in aspects of economic development that may not be suited to the
184 larger Exit 16 commercial/industrial center or the mixed use of the growth center.

185

186 Within our rural and agricultural mixed use areas, agricultural is anticipated to become more
187 diversified with on-the-farm production and agri-tourism. Agri-tourism combines tourism and
188 education specifically relating to agricultural operations. This includes, among other activities,
189 corn-mazes, sugaring open houses, and pick-your-own operations. Colchester will continue to

190 be supportive of agriculture as a community asset that is fundamental to our character and
191 recognizes the continually changing need of agriculture to adapt to market changes and demands.

192
193 During the term of this plan, the need for industrial space is anticipated to remain strong.
194 Increasing e-commerce will continue to decrease pressure on retail and office space growth. The
195 need for smaller and more flexible work spaces including co-working or shared office spaces
196 will increase. Continuing education and training opportunities will be necessary as well as
197 additional work force housing. Colchester’s diversified housing market and strong educational
198 opportunities will serve our community well in attracting and retaining businesses. The top
199 sectors for growth over the term of this plan as identified in the *2018 ADG Colchester Market*
200 *Analysis* are anticipated to be:

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- 201 1. Information (NAICS 333-334)*
- 202 2. Food Processing (NAISC 311) *
- 203 3. Biopharmaceuticals (NAICS 325)*
- 204 4. Lighting and Electrical Equipment (NAICS 335) *
- 205 5. Production Tech and Heavy Machinery
- 206 6. Medical Devices
- 207 7. Upstream Metal Manufacturing

208 * includes multiple 3-digit NAISC codes

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211
212 ~~As Colchester looks to the future, businesses should be encouraged that will establish roots in the~~
213 ~~community and will not be prone to out sourcing, off shoring, or similar volatilities.~~ Colchester
214 has a history of supporting small business development which should be continued. Historically,
215 the area businesses benefited from a small business loan program administered by the Colchester
216 Community Development Corporation. The Town should take measures to ensure that small
217 businesses have access to similar services as it seeks to encourage continued economic
218 development. There is a community desire to maintain and enhance neighborhood commercial
219 services and amenities such as restaurants. Small “mom and pop” stores should be maintained
220 and new ones encouraged, respecting the online retail changes that have and will
221 ~~continue to occur.~~ Home offices should be encouraged as these contribute to an
222 expanded and diversified employment base without the detractions of added traffic and therefore
223 are community assets. It should be emphasized that telecommunications is an important
224 infrastructure needed to support and sustain growth of home offices as many of these offices rely
225 upon high-speed internet to conduct business.

226
227 Colchester’s economic future will build upon its past successes and current efforts. It is
228 recognized that planning and development are ongoing processes. Understanding that economic
229 development and infrastructure investments take decades to realize completely, Colchester will
230 continue to work strategically on initiatives that will support have impacts on our economy in
231 future decades.

232 233 234 **POLICIES**

- 235 1. The Heritage Plan and Economic Development Action Plan will continue to be used as a
236 metric to gage and guide economic development planning in Colchester.
- 237 2. Colchester ~~will continue to be support~~sive the continually changing needs of agriculture
238 ~~and supportive of the continually changing need of agriculture.~~
- 239 3. The Town should continue to participate in such regional and state-wide conversations
240 about economic development as it exists within these larger markets.

- 241 4. The Town of Colchester encourages sustainable and diverse economic growth that
242 creates well-paying, livable wage jobs.
243 5. The community's attributes should be utilized to foster economic development through
244 the use of such tools as tourism and recreation.
245 6. Colchester's land use planning should shape appropriate areas for economic development
246 with diverse opportunities.
247 7. The Town will maintain and foster partnerships with organizations that can assist in the
248 promotion of Colchester through efforts such as prospect tours.
249 8. Infill development is to be encouraged and efforts made to retain and expand existing
250 businesses within the community.
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253 ACTIONS

- 254 1. The Colchester Economic Development Department will continue to assess marketing
255 approaches and systems of delivery as part of its branding program and market niche
256 development.
257 2. Colchester's economic development should continue to be focused within its existing
258 commercial / industrial area at Exit 16 and its growth center at Severance Corners.
259 3. Village areas should continue to focus on the development of small businesses [with](#)
260 ~~broader~~[broader](#) markets and neighborhood [scale](#) services.
261 4. Home offices and similar uses should continue to be permissible and encouraged.
262 5. The Town will implement an on-line inventory of available commercial/industrial sites
263 within a year of adoption of the plan.
264 6. As Development Regulations are amended, these regulations should be evaluated to
265 ensure that new commercial and industrial uses are incorporated with no unnecessary
266 barriers to growing sectors.