

VII. ECONOMIC DEVELOPMENT

A. Introduction

A “healthy economy” was rated the number one factor in maintaining a high quality of life in Cabot according to the Cabot Community Planning Survey undertaken in June 2010. Economic health at the local level can be greatly affected by various factors, including how a community plans for infrastructure improvements, how it invests in its public and recreational spaces, and how it retains the unique scenic and historical features that create a distinct sense of place. These factors can impact Cabot’s ability to retain and sustain existing businesses as well as attract new ones.

The importance of these factors is reflected in the State’s legislation regarding historic downtown development, the intent of which is to encourage public and private investment in infrastructure, housing, historic preservation, transportation and human services in downtown areas in order to support an economically strong downtown. Cabot benefits from a compact, historic village center that is home to a mix of businesses. Cabot also has several productive home-based businesses which rely on the public road infrastructure to both get their goods to markets and allow customers to visit their place of business.

Whether and how to promote economic growth was a pivotal question during Cabot’s Visioning Meeting in September 2010. While growth is sometimes considered a measure of a healthy community and economy, efficient connections among people and goods and services within the community are perhaps more important to maintain a healthy local economy. A downtown area that enables residents and visitors to access services and businesses with minimal transportation needs can facilitate these connections.

Census 2010 data shows that Cabot grew in both population and housing from 2000 to 2010. While all of Washington County experienced a population growth of only 2.6% in the last 10 years, Cabot’s population increased by 18.1% to 1,433 residents. While housing growth county-wide was 8.3%, the number of units in Cabot rose 21.6%, bringing Cabot’s total housing count to 771 units.

Growth in Cabot represents both opportunities and challenges. The goal of the Town Plan is to guide growth in a way that supports the local quality of life.

B. Existing Conditions

Existing Businesses/Employers

Cabot has one large employer, the Cabot Creamery, founded in 1919. It joined the Agri-Mark Cooperative in 1992. Approximately 1,300 dairy farm families in New England and New York own Agri-Mark, which markets 40% of the milk in New England. The Cabot plant is one of three, employing approximately 350 workers, 7% of which are Cabot residents. Its specialties are cheese, cottage cheese, sour cream, yogurt, and butter. The best-known product sold under the Cabot brand is traditional cheddar cheese, which has won many prizes, including World's Best Cheddar. Much of this cheddar is aged in the Cabot warehouse and wrapped in the packing plant.

Cabot's smaller retail businesses include a general store, a hardware store, several auto repair businesses, two hairdressers, professional offices, and landscaping and garden suppliers.,

The Cabot public school employs a total of approximately 50 full and part time people, of which one-third are local residents, including teaching, administrative, maintenance, and food service staff.

Home-based businesses include skilled tradesmen, artisans, crafts people, a bed and breakfast, a children's clothing designer and distributor, several building trades contractors, and several day care centers and summer camps.

There are also a number of commercial farm operations that are further discussed in the agriculture section.

Agriculture

When asked to help the Cabot Planning Commission prioritize planning issues, respondents to the 2010 Community Planning Survey ranked retention of farms as the number one issue. In keeping with Cabot's agricultural roots, many businesses have strong ties to the land. There are about 35 small to midsize agriculture operations in Cabot, from dairy farms to horticultural operations. Maple syrup is also an agricultural staple, with approximately 12 sugaring operations in Town.

Agriculture has been identified as a critical component of a sustainable economy, not only in Cabot but state-wide. The state's historical agrarian base, the recognition of the Vermont brand as a mark of quality, and Vermont's proximity to over 38 million consumers within a 200 mile radius have been identified as factors which support the growth of agriculture as a driving force in the State's economic development plan.

In February of 2011, surveys were sent to approximately 30 farm businesses in Town. Questions were asked regarding the amount of land the farmers owned or leased, what kinds of products they produced, and whether they perceived any obstacles in the form of land use regulations to their farming business. Of the 30 farmers sent surveys, 13 completed surveys were returned. Of those who responded, a majority (8) farmed on 100 acres or more, 6 producing dairy products. Other products included Maple syrup, poultry, beef, fruits, vegetables, animal feed and forest products. A majority (11) sold their products directly from the farm, and only one respondent sold goods at a farmers market. There were none which sold goods through community supported agriculture (CSA). (See Appendix A to review the complete survey results).

Tourism

Cabot's rural setting, working farms, historic sites, and recreational resources are attractions that have the potential to bring more tourists to the area to support the local economy. (See also Historic Resources section)

The Cabot Creamery, besides being a large employer in Town, is also an important four-season attraction, with over 40,000 tourists a year visiting the Cabot facility.

Cabot has approximately 28 miles of snowmobile trails that are part of the Vermont Association of Snowmobile Travelers (VAST) statewide network. A main corridor of this network intersects with Cabot's downtown Main Street. The 157 snowmobile clubs in Vermont have 27,000 members. Cabot Skylighters is the local snowmobile club.

There is also a winter trail system, maintained by Cabot's volunteer Recreation Department. Some of this network overlaps with the VAST trail system, providing access for non-motorized use. Portions of these trails are available for hiking all year. These trails, most of which are located on private property through access agreements with the property owners, have the potential to bring economic activity to the town as users of the trail system buy goods and services in their travels through Cabot.

Local activities, such as the 4th of July parade, the Apple Pie Festival, and the Cabot Maple Festival are important annual events that benefit the local economy, bringing people and economic activity to town.

Center for an Agricultural Economy

The Hardwick-based Center for an Agricultural Economy and its offshoot, the Vermont Food Venture Center (VFVC), are valuable nearby resources that are supportive of agricultural businesses. The VFVC is a shared-use kitchen incubator for value-added and specialty food producers who can rent the kitchen on an hourly basis or arrange for co-packing at the facility. The Center's staff provides food and agricultural business consulting services to aspiring entrepreneurs, existing food businesses and organizations looking to promote food businesses as an economic development tool. The mission of VFVC is "to provide professional food processing opportunities to regional agricultural producers in a way that increases the value of that agricultural production, adds living wage jobs, strengthens Vermont's local food network, and further integrates the agricultural economy into the life of the Hardwick community."

New Farmer Projects

Another valuable program is the New Farmer Project that is run by the University of Vermont Extension. The program offers many informational classes and resources for starting farmers, including how to start a business. It also provides a connection between land owners and farmers. The website for the project, <http://www.uvm.edu/newfarmer/>, has information on farming jobs, funding opportunities, and includes the comprehensive "Resource Guide for Vermont's New and Aspiring Farmers."

Programs and Resources

Below are a few key community resources for community economic planning and support in Cabot. There are also many non-profit organizations and foundations that provide grants for projects related to economic development, such as the Vermont Community Foundation. Sources of funding specifically for infrastructure improvements, such as bike and pedestrian paths, are discussed in the Transportation section of this Plan. Most funding sources will require that the proposed project is consistent with the adopted Town Plan.

Small Business Administration/ Vermont Small Business Development Center

The Vermont Small Business Development Center supports new business creation and existing small business growth and maintenance through no-cost confidential advisement, training, financial analysis tools, and strategic assessment. It also offers training for entrepreneurs to plan for sustainable, value-added agriculture businesses.

Village Center Designation

The purpose of Village Center Designation by the State is to encourage local efforts to revitalize Vermont's traditional village centers. It is based on the recognition that economically strong downtowns are critical to the health and well-being of Vermont's communities. The program recognizes the need for reasonable access to them by workers, residents and visitors. The program also recognizes the need for assistance to municipalities for downtown transportation infrastructure, particularly parking facilities. Designation through the program would be focused on revitalizing and supporting commercial activity in the center of Cabot. Application for Village Center designation is made to the Vermont Downtown Program and only Towns with a confirmed planning process may be designated.

Benefits of program participation include various tax credits for owners of commercial and residential rental property to assist with rehabilitation and code improvements for older and historic buildings located within the designated center. Government and religious buildings, as well as single-family residences are not eligible for the credits. However, applicants who are otherwise eligible for the credit, but do not have the tax liability to use a tax credit can sell the credit to a bank in exchange for cash.

Urban Development Action Grant

Cabot's Urban Development Action Grant (UDAG) fund is an important source of funding that can be used to provide financial incentives to help realize the Town's economic development goals. UDAG provides both grants and loans, and can be used as a source of matching funds when outside grants are sought. As a locally-controlled source of funds, UDAG can be more flexible than outside funding sources.

The purpose of the Cabot UDAG Plan is to provide financial resources through fair and consistent processes to local individuals and groups for activities and projects that serve to strengthen the economic, cultural, educational, environmental, and social well-being of the Cabot community. UDAG achieves this purpose in two ways: through loans and grants.

- *Loans.* In 2006 the UDAG Plan was amended to create an Economic Development Loan (EDL) program, in partnership with the Union Bank. Under the EDL, Cabot residents who successfully apply to the Union Bank for loans to start or expand businesses in Cabot receive a discount on their interest of 2% for three to five years, the discount to be

paid out of the earnings of the UDAG Trust. The subsidy is conditional upon the borrower's faithful monthly payments and terminates upon any default.

- *Grants.* A portion of each year's UDAG Trust earnings is made available for grants to community groups, including the municipal wastewater system, the Willey Building, Cabot Commons Senior Residence, the Masonic Hall and Cabot School, as approved by the Town Meeting.

In 2010, voters approved changes to the UDAG Plan at Town Meeting. New provisions included expansion of the Scholarship Endowment to allow for more generous awards, the allowance of businesses in Cabot owned by non-residents to apply for subsidized loans under the Economic Development Loan Program, and the ability of voters at Town Meeting to appropriate funds for public purposes outside the limits of the Plan. In addition, the 2010 revised Plan requires recipients of UDAG grants to seek local suppliers of goods and services, and it creates a Development Fund to support local planning initiatives.

Municipal Planning Grants

Municipal Planning Grants (MPG) are a source of State funds available to Towns with a confirmed plan, and do not require a match. These grants can fund projects such as downtown development plans, feasibility studies, and the development of design guidelines.

C. Planning Considerations

New Businesses

The Cabot Community Planning Survey conducted in June 2010 asked residents what new businesses were needed in town. Over 50 percent of respondents indicated that an eatery of some type was needed in Town. Several residents suggested that new local businesses market locally-sourced goods or products, and several pointed to the need for a bank in town. Other suggestions included a laundromat, chiropractor, drug store, book store, bed and breakfast, barber shop, and a bike repair shop.

Village Center Designation

Village Center designation by the State would help forward the goal of revitalizing Cabot's downtown commercial areas while preserving Cabot's historic fabric by providing financial incentives to owners of income-producing properties in Cabot to restore their buildings.

Downtown Parking

Multimodal forms of transportation will be encouraged and accommodated through design of infrastructure improvements and new construction in the proposed Village Center district. (See Land Use and Transportation sections of Plan.) One of the key infrastructure improvements needed that is directly related to the vitality of the business district is a public parking area that is linked to sidewalks and access points to public transportation. Since it is difficult for businesses seeking to expand to provide on-site parking, and since on-site parking is can be disruptive to the safe flow of pedestrian traffic, the use of a "fee in lieu of parking" program should be

investigated, whereby business owners provide a fee per space to a local public parking fund used for the maintenance of a public parking area. (See Transportation section for more details about the development of municipal parking)

The Local Agricultural Economy

In 2009, the *Vermont Sustainable Jobs Fund* (VSJF) identified ways to increase economic development in Vermont's food and farm sector. The resulting Farm-to-Plate (F2P) Strategic Plan identifies 33 goals associated with the task of strengthening local and regional food systems. The report highlights 51 objectives and 59 related strategies that are of highest priority in forwarding these goals. In addition to encouraging the establishment of farm-to-school programs, which Cabot has done, the following two strategies identified in the F2P Plan can be effected at the municipal level:

- More school farms and gardens: Promote and support the existence of working farms, or larger-scale production gardens, at high schools and career and technical education centers.
- Planning and zoning: Review and update zoning ordinances to ensure, to the greatest extent possible, that prime agricultural soils are conserved for agricultural use.

To access the complete F2P strategic plan, go to <http://www.vsjf.org/project-details/5/farm-to-plate-initiative>.

Community and Economic Development Coordination

In early 2011, the Cabot Coalition facilitated meetings of community organizations to explore ways to collaborate and share information. At these meetings, interest was expressed in forming a committee to formulate a community and economic development plan and identify strategies and initiatives to create a more vibrant, healthy, and sustainable community that fosters a strong local economy. The Cabot Coalition was identified as a key partner in this effort, since it is a long established organization in the community, has a centralized office, and publishes the Cabot Chronicle.

Since this time, a nascent community and economic development committee has continued to meet monthly to define its mission and organizational structure, while also pursuing some short-term projects like a business locator map for tourists visiting the Cabot Creamery and the Town. Grant applications for community development projects have also been submitted. It is anticipated that this committee will assume a leading role in economic development initiatives to carry out the goals of this Plan.

Growth and Its Impacts

By regulating residential growth in agricultural areas, population growth has a greater potential to benefit the local economy. Channeling growth to the village center areas and creating better connections between residential, recreational, civic and commercial uses enables population growth while retaining farmland and open space. Living in the "downtown" village center will

be more appealing if the Town invests in public spaces, including landscaping in public rights of way, safe routes for walking and biking, and well-situated parking areas (including bike parking) for those visiting the downtown areas.

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D. Goals and Implementation strategies

Goal	Implementation Strategy	Key implementer(s)	Measures of Progress
<p>VII.1 Create and promote economic opportunities for businesses and other organizations to succeed.</p>	<p>VII.1(a) Develop a community and economic development plan with short-term and long-term strategies to achieve the vision and goals</p>	<p>Community and Economic Development Committee , Planning Commission, UDAG</p>	<p>Establishment of a standing group with active membership</p>
<p>VII.2 Encourage the development of new pedestrian-friendly and appropriately-scaled commercial establishments, in the village center.</p>	<p>VII.2(a) Create a master plan for pedestrian access, parking, and traffic calming infrastructure in the village center to provide for increased connectivity between residential uses, public parking areas and commercial, civic, and recreational uses. VII.2(b) Seek Village Center Designation through Vermont Downtown Program as a way to create economic incentives for commercial redevelopment and revitalization in the downtown areas. VII.2(c) Develop standards for new construction to promote pedestrian connectivity, and integrate into zoning regulations.</p>	<p>Planning Commission Planning Commission/ Selectboard/ Community and Economic Development Committee Planning Commission</p>	<p>Master Plan is developed Village Center designation discussions in progress Zoning regulations written, approved.</p>
<p>VII.3 Improve the physical attractiveness of the village center business district and preserve the Town green/common as the visual centerpiece of community life and commercial development in Cabot.</p>	<p>VII.3(a) Develop design guidelines for new construction and landscaping within the village center intended to improve the physical appearance of properties.</p>	<p>Planning Commission</p>	<p>Design Guidelines created</p>

	<p>VII.3(b) Provide financial incentives for beautification (including landscaping) of private commercial and residential property and municipal properties visible from the public right-of-way in the village center, in keeping with established design guidelines.</p> <p>VII.3(c) Develop and implement a landscaping plan, including street trees, for public land within village center, including adjacent to public parking areas and within street R.O.W.s</p>	<p>Planning Commission/ UDAG Committee</p> <p>Planning Commission/ consulting landscape architect/ Selectboard</p>	<p>Incentive program established</p> <p>Landscaping plan developed and progress made toward implementation</p>
<p>VII.4 Capitalize on Town’s scenic, recreational, and historic resources to draw new customers to local businesses</p>	<p>VII.4(a) Maintain and expand four-season trail system that connects to village center and public parking areas through the creation of a master plan and supported through grant funds</p> <p>VII.4(b) Identify locations for bicycle routes throughout Town, undertake infrastructure improvements to improve safety, and create a bike parking area in village center</p> <p>VII.4(c) Create a printed, self-guided walking/biking tour of historic resources</p>	<p>Planning Commission/ Recreation Committee</p> <p>Planning Commission/ Recreation Committee/ Consulting engineer/ Selectboard</p> <p>Recreation Committee/ Historical</p>	<p>Master plan for trails created</p> <p>Bicycle routes mapped Bike racks installed in village center</p> <p>Walking/biking tour of historic resources created.</p>
<p>VII.5 Retain working farms and agriculture-based businesses as a key component of the Town’s economic base</p>	<p>(See Land Use section for multiple strategies designed to achieve this goal)</p>	<p>Planning Commission</p>	<p>Inventory of farms remains stable Number of agri-based businesses grow</p>