

## **Barre Area Development, Inc.**

Barre Area Development is a 501 (c) 6 non-profit corporation established for the purpose of providing economic opportunities and development in the Barre Area. This mission is a broad and includes all activities for the general welfare of City and Town inhabitants in the areas of commercial and industrial development, recreation, agriculture, financial assistance, promotion and real estate development and management. The budget for BADC is funded equally by the City and Town.

The City of Barre continues to make significant infrastructure improvements that will result increased private investment in the City. On behalf of the City in 2014, BADC filed grant applications eventually totaling \$1,360,000 for the recently completely Enterprise Aly environmental remediation and redevelopment project. This public investment has already resulted in private investment at 248 N. Main Street, a project that is eligible for Designated Downtown tax credits that were obtained with the assistance of BADC. During the year, Granite City Grocery was awarded a BADC authored grant \$19,830 for membership development and marketing so that it stay on the path towards opening a grocery within the next 18 to 24 months. The Grocery has reached its initial membership goal of more than 600 members so it can move to the next steps that include investigating a potential location, 159 N. Main Street, and working with several different funding sources for acquisition and development. Working with the Barre Partnership, the City's downtown Main Street program, \$35,000 was granted for the purpose of assisting in the establishment of the Barre Antiques Center on Main Street. Currently, the Antiques Center is tenanting two historic buildings, one owned by the City that was vacant, and the second floor of 75 N. Main Street. The long term objective is to promote Barre has central location for "antiquing," which according to the Vermont Department of Tourism turns out to be the second most requested information from travelers to Vermont.

Downstreet Housing and Community Development (formerly Central Vermont Community Land Trust) is on scheduled to complete construction of its 27 unit housing and office project in June. This follows the work of the City to create parking between Keith Avenue and Pearl Street using Tax Increment Financing (TIF). This successful partnership could lead to additional development along that side of Main Street. The completion of Enterprise Aly brings the Merchants Row redevelopment one step closer which will inevitably result in more private investment. The forward looking administration of City government and its utilization of TIF are endorsed by BADC since the results are evident for everyone to see, including federal and State officials who assist the City in funding projects. Success begets more success.

While most of the infrastructure and investment has been in "downtown," it's likely that there will be improvements at both the north and south ends of the City. This will include flood prevention and mitigation measures along the Gunner Brook tributary of the Stevens Branch. Once this is completed, this could spur investment in the housing stock in that area, and perhaps an increase in commercial activity as well. At the south end, improvements to the intersection of Quarry Street and S. Main (Route 14) are currently scheduled to commence in late 2016 and be completed in 2017, and this may coincide with significant road improvements to Route 14 from Bridge Street to Ayers Street. Any signalization along this stretch is likely to be state-of-the-art and will improve traffic flow in an area that backs-up often enough to be noticeable. State funded transportation projects sometimes do not commence as scheduled and BADC will follow-up and lobby for the completion of this important work that provides access and egress to Barre Town and benefits the City as well.

BADC works with the Town and the businesses at the Wilson Industrial Park (WIP). Following business expansions last year at WIP, it appears that at least 2 of the businesses will grow in 2016 or 2017. A survey conducted in the spring by BADC indicated that 360 persons are employed at WIP who support 25 employees working off site, and another 20 employees are expected to be hired within

a year. With the assistance of BADC, the Town established the Barre Loan Fund using loan repayments from SB Electronics resulting from a grant from the State to the Town. Based on an agreement between the Town and the Vermont Community Loan Fund (VCLF), VCLF will be the underwriter and administrator of loans in Barre Town and Barre City for the purpose of creating or retaining employment that benefits low and moderate income households. BADC will market the loans in the area and review VCLF analyses and recommendations for loans that must be approved by the Town Select Board. So far, one loan was made to an employee for the purchase Bob's Camera and Video, a business on N. Main Street.

Following-up on economic data from the previous 2 years, it can be said that the City is holding its own. By the end of the calendar year, the final figures for Gross Sales Receipts will be down, but Retail, defined as taxable sales, are likely to be about the same as 2014. However receipts for Meals, Rooms and Alcohol will up by about 10% over 2014. Since 2012, these numbers are up by over 30% and are 15% higher than that of the State. Based on preliminary reporting so far the 12 months ending September of 2015, the City has surpassed Montpelier for Meals Receipts.

Additionally, covered employment (reporting employees and wages for taxes) from privately owned businesses in the City for the quarters ending June of 2015 versus that of 2012 is up as follows: number of establishments, 9.7%, number of employees, 16.3%, total wages, 24.1%, and average wage, 6.6%. For the category "Food services and drinking places," the same numbers are: up 23.8%, 30.2%, 34.9% and 3.5%. Current unemployment is 4.1% and three years ago it was 7.2%. Wage growth is not great, but that is a national, regional and State issue as well. Estimated family income comparison for the latest 3 years published by the Vermont Dept. of Taxes, 2010 to 2013, show that incomes in Barre City has risen 5.3 % during those 3 years and it is still a lower income community. Meanwhile, Washington County estimated incomes rose 10.3% and is above the current State wide estimate by 6.5%. This income data suggests that a significant driver of employment and wage growth in the City derives from the residents of the surrounding Towns that work and shop in the City. In summary, the sales, tax, employment and income data indicate that the City's revitalization efforts are providing regional and local benefits.

As well working in Barre City and Town, BADC works with businesses from everywhere to further economic development in the area. At the current time, there is some demand for space for small businesses who wish to lease space in the range of 1,500 to 4,000 ft, mostly for processing or production and residents are encouraged to contact our office when suitable space is available.

The Board of Directors thanks the Barre City taxpayers for their support.

Respectfully submitted,  
Joel Schwartz, Director

Elected Officers as of July 2014

President – Karl Rinker, (Rinker Communications) (FCS Enterprises); Vice President, Sarah Field, (Attorney, Field and Field PC); - Secretary – Jonathan Shea, (Paige and Campbell, Insurance and Financial Services) Treasurer – Al Flory (Northfield Savings Bank); Past President – Pete Fournier (FCS Enterprises)