

Chapter 4: Economic Development

Overview

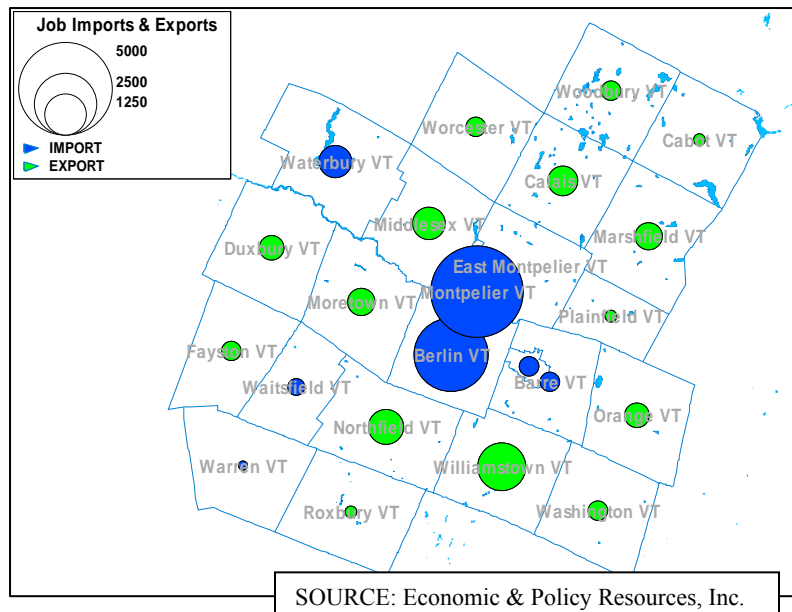
Understanding the town's current economic conditions will assist the town in planning for the types of economic development that best suits the town and its residents. Appropriate forms of economic development will:

- Preserve the town's rural and agricultural character,
- increase tax revenues,
- present employment opportunities, and
- provide services for town residents.

The survey results shown at the end of this section tell us that Middlesex residents believe in the importance of increasing local employment and small businesses in town. The goals and policies for future economic development in Middlesex reflect this priority.

Middlesex currently has a mix of businesses including some light industry, a laboratory, several excavating businesses, forestry businesses, several livestock enterprises, a produce and nursery business, a restaurant and lodging, a service station, a general store, a building supply business, a utility, state warehouse, self-storage units, floral supply, and a number of home businesses. According to the Vermont Department of Labor, there were 37 town employers in 2005 employing 281 workers. This is an increase of one employer and four employees from 2004.

As shown in the figure to the right, Middlesex is a job exporting town. This means that the town has more workers than it does jobs. This is typical of a bedroom community and as the survey results presented in the first section of this plan reveal, 75% of respondents stated that being a bedroom community was acceptable. It can be inferred then that this is how residents would like Middlesex to remain. Montpelier, Berlin, and Waterbury are the job importing towns which surround



Middlesex, meaning that these towns have more jobs than workers. In the year 2005 there were 1,180 workers residing in Middlesex who were 16 years or older and 85% of them worked in jobs outside of Middlesex. This affects the length of time residents have to commute to work as will be discussed later in this section.

Employment Opportunities in Middlesex

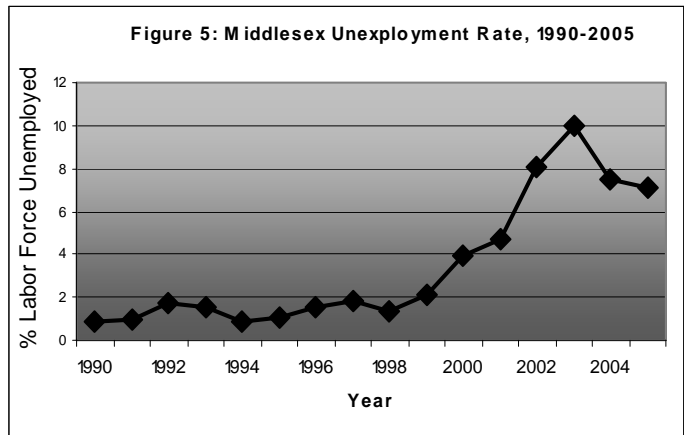
Table 3 to the right shows the employment opportunities in Middlesex. According to the Vermont Department of Labor, in 2005 there were a total of 37 covered employers¹, employing 281 workers. Two-thirds of these jobs are service producing, while only one-third are goods producing. The average annual wages offered to those who work in Middlesex are \$37,833. This is higher than the county (\$34,530) or the state averages (\$34,199). The highest average annual wages are being paid by state government employers while the lowest are being paid by local government. Only 25% of these jobs are held by females.

Industry	# of Employers	# of Jobs	% of Jobs	Average Wages
Construction total	5	64	23%	
<i>state government</i>	1	26		\$ 40,719
<i>private companies</i>	4	38		\$ 29,843
Professional and Business Services	9	37	13%	\$ 34,635
Education and Health Services	1	37	13%	\$ 27,048
Public administration total	3	29	10%	
<i>state government</i>	1	20		\$ 43,688
<i>local government</i>	2	9		\$ 18,437
Wholesale Trade, Transportation, and Utilities	8	36	13%	\$ 26,773
TOTAL	37	281		\$ 37,833

SOURCE: Vermont Department of Labor. Please note: information for 11 Middlesex employers were not available.

Unemployment

As discussed previously in this report, Middlesex ranks first in average wages of all towns in Central Vermont (CV Chamber of Commerce 2006 Profile). It also ranks first in the region for the highest level of unemployment. In 2005, 7.1% of the labor force was unemployed. This is significantly higher than any other town in the region. As shown in Figure 5 (Source: Department of Labor, Local Area Unemployment Statistics) this is still an improvement from the unemployment rate in 2003 at 10%.



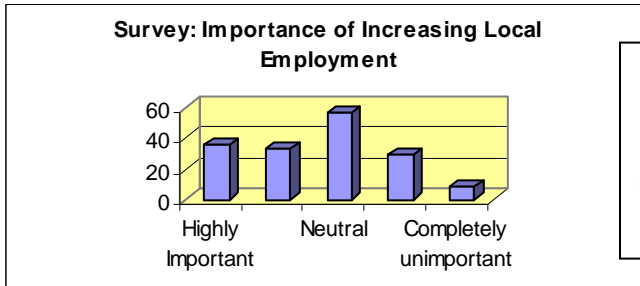
Commuting

Promoting economic development in Middlesex could provide more opportunities for residents to work closer to home as well as providing the services that residents need in town. Other than the 8.1% of the work force who work at home, most residents commute to work by car, of which

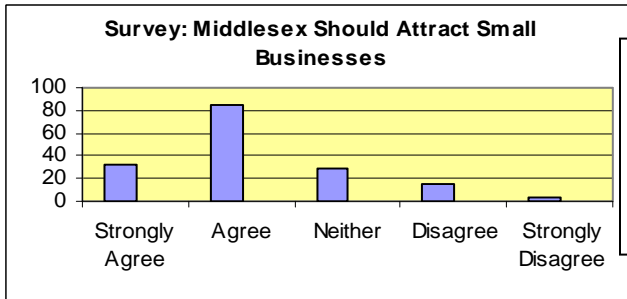
¹ “Covered” employment and wages goes not include workers who are self-employed, firm owners not incorporated and the following employee groups: elected officials, nonprofit religious, charitable and educational organizations, unpaid family members, farm (with some exceptions) and railroad.

13% carpooled with at least one other person. The average travel time to work in 2000 was 23.7 minutes; however many residents have much longer commutes than this average.

The survey results shown below tell us that 40% of respondents believe that increasing local employment options is important. The 2000 Census showed that most Middlesex residents were employed in the following industries: education, health & social services and public administration. Middlesex may want to encourage the development of these industries so that more Middlesex residents could choose employers closer to home. However, most Middlesex residents employed in these industries are state government employees and it would require a long term strategy to recruit a new state office building in town. On the other hand the private sector does provide support services to government in terms of software development, a wide array of consultant services, legal services, and other professional services. An increase in office-based workers would help improve the local economy. This would serve two purposes 1) decreasing commute times and 2) increasing the town's commercial tax base. Industry types that have the highest average annual wages should also be encouraged, in order to keep Middlesex workers ranking high in this area compared to the state and county.

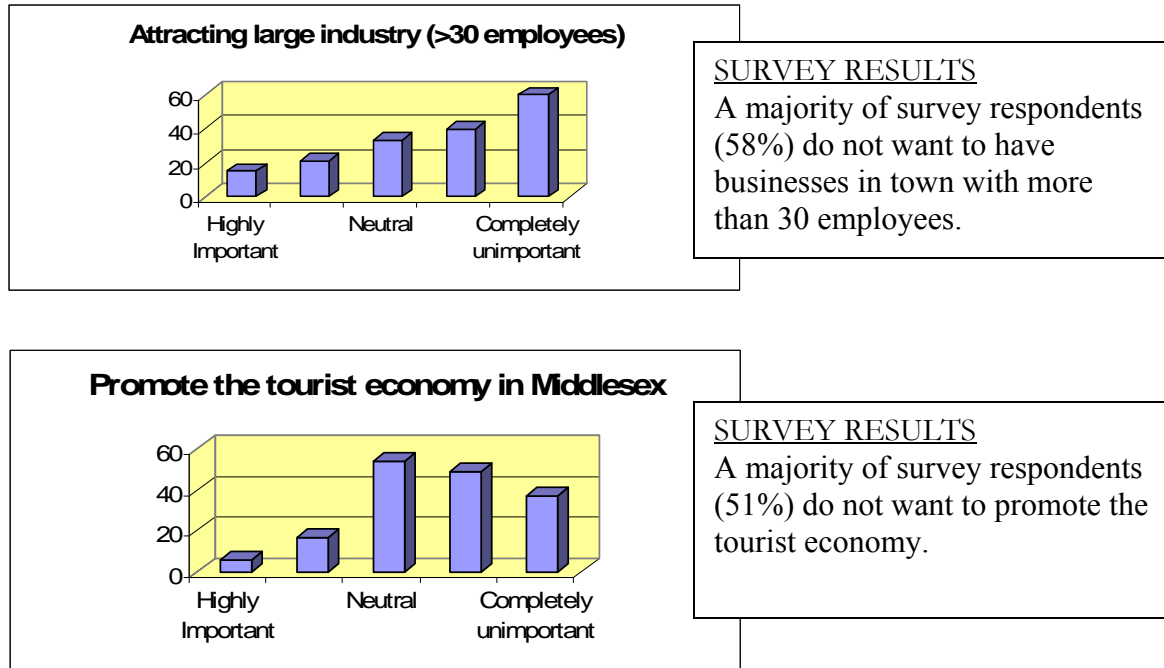


SURVEY RESULTS
 Though many respondents are neutral on the subject, 40% of survey respondents felt that increasing local employment is important.



SURVEY RESULTS
 A majority of survey respondents (69%) believed that Middlesex should work to attract small businesses.

While respondents may want to recruit more small employers in town they do not want large businesses (greater than 30 employees) and they do not want to increase the tourism trade in Middlesex.



Goals, Objectives, and Implementation Strategies

Economic Development Goals

1. Encourage light manufacturing activity and small scale commercial that will provide good-paying, highly skilled jobs and desired services to town residents.
2. Promote an active retail and service center in the Village District of the Town and numerous home based businesses throughout the town.
3. Support agriculture and forestry based businesses.

Objective 1: To encourage light industry and small scale commercial development in the Village District, while preserving natural and agricultural resources, fragile features and the scenic and rural character.

Implementation Strategies:

- Create an Economic Development Advisory Committee to develop an economic development plan for approval by the Planning Commission and the Selectboard covering three sub-categories: a) light industry b) small scale commercial/service and c) agriculture and forestry. Members will be recommended by the Planning Commission and appointed by the Selectboard.
- The Advisory Committee should develop a plan for retail and service businesses to meet the expected growth of the population by 2022.

Policies:

- There should be an active small scale retail and service sector in the village organized to meet the needs of local residents.
- Business enterprises owned and operated by residents of Middlesex and nearby towns should be encouraged and should be responsive to local needs.
- Small home-based business should be encouraged by the Town as a way to create good jobs in both residential and conservation zoning districts while faithfully maintaining the rural nature of the residential sections of town.
- Accessible and affordable child care should be encouraged by the Town in order to facilitate economic development.

Objective 2: To support agricultural enterprises through zoning and access to business capital.

Implementation Strategy:

- The Advisory Committee should recommend specific steps the town can take, including grant applications, land trusts and tax incentives to attract and nurture emerging agricultural and forestry enterprises and support those already in place.

Policy:

- Agriculture and forestry-based businesses should be provided with special incentives and support, including technical assistance, tax incentives, volunteer time, land trusts and Town support for State funded start-up grants and loan applications.