



Travel and Recreation Council Meeting Minutes

Thursday, March 17, 2022
10:00 am – 12:00 pm

Council Members in attendance: (all virtual): Amy Spear, Molly Mahar, Marciela Ehmann, Jeff Lawson
Absent: Jody Fried, Karen Duguay, Willie Docto, Brian Cain, Matt Harrington, Steve Wright

State of Vermont agency staff participating: VDTM: Heather Pelham, Josh Hanford, Sara DeFilippi, Abby Sessock, Nate Formalarie; ANR: Jackie Dagger, Nate McKeen; AAFM: Trevor Audet

Board action: None (January meeting minutes will need to be approved at the May 2022 meeting)

Legislative updates:

Rental registry (Amy): Part of S.79 vetoed by the Governor last year. Long standing issue for the chamber, also lodging businesses. Exemptions have been added: 90 day exemption (less than 90 days in a calendar year). Was added to housing bill (S.210), but also added to another bill - will be watching both. Inclusive of long term as well as short term rentals. Molly has advocated for an exemption for units managed by licensed lodging facilities – didn't happen in Senate but will try again in the House.

Economic Development Bill (Molly): Includes relocating employee incentives (grants to reimburse moving expenses); Capital investment grant program; VEDA short term forgivable loans (Amy). Trying to retain remaining 26M allocated for bridge grant program. New language supports “continued working capital shortfalls” not original intent (recovery). Current maximum amount is \$150K or 3 months of fixed costs. Other provisions include increasing minimum wage to \$15 by 2024; Study to look at reestablishing a film commission; COVID paid sick leave grant program for employers; paid family leave study; COVID supplemental benefit for unemployment insurance. Big chunk of the bill devoted to TIF as well.

H.703 Workforce development bill (Molly): Includes Statewide forgivable loan program for college grads if they commit to working in state for 2 years, Career Technical Education (CTE) program funding alternatives, VDOL regional workforce development network; Statewide networking platform for internships; Support for students pursuing internships and helping students entering trades; support for healthcare/nursing

Omnibus Alcohol bill (Amy):

- Ready-to-drink, canned cocktails / fortified wines (vermouths): move these drinks out of 802 spirit/dept of liquor & lottery authority – over into wholesale/retail. 1500 retail outlets across the state to make it more accessible: Passed out of house. Changing tax rate, which is getting hung up in discussions.
- Benefit: Opens up licenses for event industry businesses like caterers. Also, additional warehouse space.

Federal – Restaurant Revitalization Fund (Amy)

- Chances are dwindling of this being funded at federal level

Relocation and Retention Network proposal (Heather):

- Moved to H.159. Governor's proposal was for \$8.46M split between support for regions over 3 years as well as economic development marketing. Now down to \$4.2M. Senate has proposed 2 years (not 3) and \$50K per year to regions instead of \$100K. House seems skeptical, but Senate understands need.

GUEST SPEAKER

Josh Hanford, Commissioner, Department of Housing and Community Development

Shared PowerPoint [presentation on the current state of housing in Vermont](#):

- Vermont had been building between 3-5K housing units in the 80s. Now 2K. Barely maintaining number of housing units. Haven't kept up with needs in Vermont for decades, not sustainable.
- Most of our housing stock was built many years ago: old, not designed with today's needs in mind.
- Supply/scarcity issue = higher costs. Not much left for sale.
- Rental vacancy also extremely low (1-2%). Healthy vacancy rate is between 5% and 6%.
- 51% of Vermonters are paying over 30% of income on rent. Of that, 25% are playing more than 50% of income on rent. Recipe for more homelessness.
- What's causing the problem? Many, many reasons, all of the above.
- Housing policy used to be large lots for single family homes in residential neighborhoods. Not what we need now. We need different types of housing stock.
- What about concern that "there is no more developable land?" False narrative. In the Northeast, we have the largest average lot size in the nation. A lot of in-fill opportunities. We need to allow for new approaches and greater densities. Infrastructure development costs fall on developers here. Out West, municipalities take that on.
- S.226 looking to make permitting easier, relax Act 250 and other laws/regulations
- Federal relief has helped stave off more serious problems to date. Over 779 affordable housing units have been developed, nearly 800 currently under development.
- New programs: Vermont Housing Improvement Program (VHIP). Over 19,000 units of housing considered sub-standard. Much of it is vacant/off-line. Funding to support bringing this stock back into rental market.
- "Middle" homeownership not possible. Middle class families cannot afford to buy a home. Frustration that need is so critical and seemingly universally acknowledged, but funding still held up with politics.
- Discussion/Questions:
 - Amy: Some of membership has said "we offered the job, but they can't find housing." Some employers are talking about building their own housing for employees. Employers don't want to do this, but desperate.

GUEST SPEAKER

Nate McKeen, Director of Vermont State Parks

- Hiring is a challenge. Only 50% of applications vs what they usually see. Entry level pay bumped to \$15.31. 25% of park managers tend to stay here in VT – helping to bring more people to the state
- Robust capital program: \$1250M in built infrastructure. Like a small municipality but spread across state. A lot of focus goes into that infrastructure. Receive \$3M/year capital appropriation – a lot goes into maintaining what we have. But also looking at improving program, changing what we offer.
- Cabin program successful. Trying to build more cabins. Electricity but not running water.
- New nature center in Groton state forest (w/ VT Parks Forever Foundation, ECHO center). Will build out 4-5 additional ones.
- Bulk of funding comes via fees. Legislative request this year to have a premium for out-of-staters – but still middle of the pack compared to other states.

- Discussion/Questions
 - Molly: demand for summer? How does it compare to last year? Also, VT vs out-of-staters.
 - Nate: Expecting to be just as busy as a typical year. Worried about staffing. Reservations off the charts. Vermonters came out in droves for camping during COVID. Traditionally 90% Vermonters for day use, 50% for camping. First year of COVID all in-staters, last year 70/30 in staters, this year expecting 60/40 (40% out of state).

State of Industry TRC Member Updates:

Molly (Vermont Ski Areas Association): Weather has been challenging, but demand has been strong this year. Christmas and New Year's demand good but limited terrain. MLK weekend very cold day. President's week thaw, but generally good. Demand back to pre-pandemic, in some cases higher. Still issues for Canadians traveling here. Domestic business has filled in. March is usually a big month for Canadians – hopefully will see more, but probably not as robust as usual. Staffing continues to be an issue.

Jeff (Hello Burlington): Winter has been good. Mid-week soft, but weekend good. Expecting summer to be white-hot. Challenge with conflicting dates for events (Juneteenth same weekend as Nordic Cup, 5000 room nights). Transportation: BTV terminal will be complete soon / including hotel there (targeted at Canadians coming here to fly). Amtrak coming in July.

Maricela (Ehmann Events): Continue to see increase in demand. Workforce issues are hindering capacity for 2022 and likely 2023. Asking industry how to support black and brown businesses more: more grants, celebrate diversity beyond black history month, lower rent on Church Street. Creating a BIPOC vendor list.

Staff Updates:

Abby Sessock (Communications): Last week *Good Morning America* visited Vermont, ran 10 min of video content. Overall message was “VT is back in business.” Working to improve resources on vermontvacation.com. VDTM is sponsoring VT Brewers' Festival this weekend and later in summer. Changing imagery to summer in April – earlier than usual.

Sara DeFilippi (International): Vermont rejoined Discover New England. VDTM hosted webinar last week on how to work with international visitors. Feedback from tour operators is there is not enough hotel inventory in Vermont that will work with receptive operators. Brand USA Act passed this week (\$250M). VDTM issued RFI for managing tourism booth at Big E.

Nate Formalarie: No more testing requirements at Canadian border (land, sea or air) for fully vaccinated travelers starting April 1

Jackie Dagger (FPR, Outdoor Recreation): Getting ready to announce VOREC program grant recipients. \$1M to 12 projects related to accessibility and trail stewardship.

Heather (VDTM Commissioner): Update on tourism and economic recovery grants. Presentation located here: <https://accd.vermont.gov/covid-19/tourism-and-economic-recovery-marketing-grants>

Around the Room Discussion, Updates

Nick Bennette (VMBA): FreeHub has dedicated issue to Vermont this year. Beautiful coffee table type publication: <https://freehubmag.com/newsroom/issue-131>. VDTM working with them on digital travel guide.