

Climate Action Input Session: Rural Resilience and Businesses

Friday, November 8, 12:00-1:30pm

Summary of Input

*hosted by the Rural Resilience and Adaptation Subcommittee
of the Vermont Climate Council*

Overview

The Vermont Climate Council is updating the state's Climate Action Plan. Subcommittees of the Council are holding a series of virtual public meetings to get input on their initial ideas for the update.

This document summarizes input during a session on November 8, 2024, focused on supporting the climate resilience of businesses—especially small to medium-sized businesses and the organizations that support them. Approximately 50 people attended the 90-minute Zoom meeting. A participant list is included below.

This document is not a transcript of the session, but rather an overview of themes and ideas that participants provided verbally, in the chat, or subsequently over email to Vermont's Climate Action Office.

The session began with a presentation of emerging ideas from the Public Health, Community Capacity, and Building/Infrastructure Task Groups of the Council's Rural Resilience and Adaptation Subcommittee.

- View [presentation slides](#).
- Watch the Rural Resilience and Businesses Input Session [recording](#).

Summary of input

High-level summary

At the end of the input session, participants were asked to answer the question, "what themes are jumping out?" Using a Menti link, they offered the short phrases as responses, which are grouped below.

Many comments focused on improving disaster planning and preparedness

- Support businesses to recover from climate disasters by preparing in advance
- Connecting local stakeholders and businesses with programs and technical support -- how best to do this?
- Explore and implement strategies to expand local emergency preparedness and response capacity
- Information sharing and collaboration with the business community seeing organizations as facilitators of input - not just in times of recovery but in planning for the future
- Pro-active planning for climate resilience that includes businesses
- Engagement and relationship-building
- Known, community rooted assistance

Several comments focused on incentives

- More incentives and grant programs for the business community
- How to balance some businesses getting incentives for solar or heat pumps with increased costs for everyone else to pay those incentives
- Incentives are much more effective than fines, and grants are much more helpful than loans

One comment highlighted the tension between facilitating re-development, while also limiting greenhouse gas emissions.

- Calculus balancing between new developments/cutting red tape vs GHG emissions

Detailed summary by theme

Below is a more detailed summary of input provided verbally during the conversation, in the chat, and from subsequent emails, grouped by theme within the relevant Task Group category.

Building/ Infrastructure:

Housing/ infrastructure

- There needs to be a critical review done on the new regulations and standards related to housing. There are conversations happening about the urgent need for housing, and at the same time there are conversations about increasing regulations and costs through building standards. There should be a cost-benefit analysis done to understand what regulations are needed in terms of housing to enhance resiliency and efficiency, and

what added costs are simply getting in the way of helping to get people housed in resilient places in Vermont.

- We need affordable housing, but it needs to be built in areas closer to centers of towns, not out on the rural landscape, and not near flood zones. Act 250 continues to be very important and must remain strong.
- All new infrastructure that is built must include renewable energy (primarily solar) and energy-saving techniques (even if building affordable housing).
 - Improve trail infrastructure.

Community Capacity:

Engagement, regional collaboration, and the importance of trusted on-the-ground support for planning and recovery

- The most impactful projects are ones with people least likely to access the programs, so it is essential to have trusted, community-rooted organizations on the ground to provide technical assistance in navigating the programs.
- Information and support networks (including business to business/economic development organization relationships and organization to organization relationships need to be established proactively, anticipating and getting ahead of climate-related business impacts). We need to be organized when urgent action is needed.
- Every area in the State has a conservation district that is a regional entity and the Essex County Natural Resources Conservation District is an option (not speaking for all conservation districts in Vermont, but we have an interest in forward-thinking, planning, and on-the-ground projects). In our case, everybody already has connections with their small towns, but often the town doesn't have the capacity to administer the funds, which is where the conservation district or RPCs step in. In order to do this, we need to have already established relationships, which means being an adequately funded entity to begin with.
- Encourage partnerships where recreation businesses could work with the downtown organizations/ local recreation/ parks organizations and be directly involved in the planning for the future, so that businesses do not have to just be reactive.
- The State does a great job in bringing businesses associations and stakeholders together in the aftermath of disaster, and it would be great if we could channel that energy towards proactive organizing. Need to build established relationships, clear information channels, and a "go-plan" in advance.
- In Waterbury, there has been immense social and municipal support during flooding events. A long-term disaster preparedness support/ recovery group called [CREW](#)

(Community Resiliency for the Waterbury Area) was established and can serve as an example for other municipalities.

- Businesses downtown with retail or in resorts or that own large amounts of land/ manage recreation assets were affected physically by the flooding and that was obvious. The more challenging cases were tourism and hospitality, where businesses were also affected but did not necessarily have an entry into the recovery conversation because they didn't lose their inventory or storefront. Vermont's outdoor recreation economy contributes 4.6% of VT's GDP, which is the second highest in the country. Need to think through how to engage all businesses that have an impact and a role to play in solutions.
 - The Kingdom Trail Association (KT) has an estimated \$10 million economic impact annually as the user experience extends beyond the trails into the fabric of the community. This summer, they experienced massive flooding that caused an estimated \$30,000 in trail damage (not accounting for the loss in revenue as membership numbers dropped during what should be the peak of their season. And it could have been hundreds of thousands more if they were responsible for some of the vital infrastructure that KT uses like bridges owned by VAST, yet still serves as a critical connection for both summer and winter trail operations. This is the main corridor for both KT and VAST to connect Caledonia to Essex County).
 - Vermont needs to provide long-term solutions — the State should right-size its investment in stewardship, providing consistent and sustainable funding for the planning and maintenance of our public-access recreational assets. If the State wishes to continue being a leader in outdoor recreation, it must future-proof trail infrastructure so KT can continue to provide the economic, public health, and conservation benefits that communities like ours derive from outdoor recreation.
 - The Kingdom Trail Association looks to the Vermont Trails & Greenway Council for guidance and priorities among the broader trail community.

Additional thoughts on building relationships to support planning and recovery efforts

- Businesses and local & regional governments
 - Federal funds that are available to support businesses are all rooted through municipalities or regional development corporations, and unless the business has a pre-existing relationship or the confidence to build one with those entities, they will not be able to access those funds. Leads to disappointment and distrust in government and need to consider different ways to more effectively distribute resources to businesses in the revised Climate Action Plan.

- It is a two-way street: businesses have to understand that there are available resources available at the municipal level (from who, how they can access them, and build a relationship with them beforehand). But also, we need to acknowledge that those staffing and coordinating in the aftermath of disaster are mostly volunteers, and we need to provide support so that they are better equipped to support the business community in those moments. Need to improve access to information and relationship-building.
- Commercial renters
 - While commercial renters are technically able to access incentives and rebates that any other commercial business that owns their property has, they don't have control or influence over the building envelope/ the heating and cooling controls that really fall under the rental property owner. Landlords are quick to open buildings and get businesses up and running, and are not really incentivized to do the upgrades because they are not paying the utilities. Efficiency Vermont could use extra support in thinking about financing for commercial renters.
 - Efficiency Vermont offers business energy loans to commercial customers with lower than market interest rates, but there is resistance to taking out debt-based financing, particularly with interest, especially for business owners with lower-income. Interested in reading action items on bill financing and pace programs, as Efficiency Vermont could benefit from alternative finance models with more equitable cost coverage.
 - In addition, Efficiency Vermont is incentivized to meet its goals associated with cost savings and emissions reductions, but money that is put towards an interest rate buydown or loan loss reserves does not fall under that - though there are equity initiatives.
- Possible solutions
 - Whatever incentives can be offered to small businesses to promote distributed renewable energy (primarily solar) and decrease climate-warming fuels (with weatherizing/heat pumps, electric-car infrastructure, etc.), the better. However, in doing so we cannot burden small businesses with more taxes or fees. We want to make it easier for younger people to come to Vermont and open small businesses.
 - Efficiency Vermont offers free technical assistance and on-the-ground support for energy efficiency upgrades through engineering consultants.
 - Are there any good programs and framing of incentives that are available as a resilience-based actions, as opposed to solely emissions reduction-based action/ is there an opportunity there?

- The way Vermont set up its energy efficiency utilities is through a resource acquisition framework, which means that money that comes from ratepayer dollars is ideally returned to them in the form of efficiency and lower energy bills. Other states operate under a market transformation model, where kilowatt hour reduction or greenhouse gas reduction is not necessarily the target, and there is a larger set of goals related to market transformation, better air quality, resilience, etc. with different metrics attached. These other models show ways to incentivize and have metrics around more than just energy savings.
 - Consider broadening existing economic programs to allow for resiliency efforts/improvements. For example, Tax Credit programs for facade/code improvements could include mitigation efforts. Also, the VT Employment Growth Incentive program is available for businesses creating employment and capital investment, but should allow for resiliency improvements.
 - Need to work to eliminate barriers for resilience programs (such as buyout programs).
 - As a nonprofit, Kingdom Trails were not eligible for FEMA support, but were grateful for the BEGAP funding received for 20% of the damages experienced. For outdoor recreation organizations, there are existing mechanisms, like the state recreational trail fund, which hinges on the gas tax. However, by statute it only funds approximately \$75,000 a year to community projects. KT's annual maintenance budget alone is larger than that. Also, further Vermont Outdoor Recreation Economic Collaborative (VOREC) grants funded on a consistent basis with an emphasis on upgrading our current trail system could also be an avenue for building more resilience into Vermont's recreation economy.
- Other limitations (lack of capacity, for-profit status, competition, messaging, ignorance)
 - Small and micro businesses want to invest in climate resiliency technologies/ building retrofits/ take on more energy storage but lack the knowledge and capacity to do this work. These businesses don't necessarily have a grant writer/ someone to manage the reporting/ or generally a designated person to apply for and manage a loan (especially given how Federal and State have lengthy requirements). As a lender, we try to fill that gap as a service provider, but we want to have a more involved role in these discussions to think about how a loan can work on the front-end to help businesses invest and become more resilient as well as preparing businesses to access grants in the event of an emergency.
 - Need to continue thinking about financing/funding/grant opportunities because many businesses are not able to access these resources due to their for-profit status.

- The Business Emergency Gap Assistance program provided a dedicated source to businesses for a variety of physical damages from inventory to storefronts – there were businesses able to work with their municipalities on identifying commercial impacts and solutions for investments to protect their commercial district in the future. Businesses want to see the vitality of their communities, and can be a resource for how to protect the downtown or the village in terms of municipality investments (that can also have a positive impact on businesses themselves).
 - There needs to be a dedicated source to businesses that does not make them present their case in competition with homeowners or community members or with municipal infrastructural damage because that creates an uncomfortable tension.
- Need to have better messaging going out to businesses in the aftermath of disaster. Telling businesses to do gift cards/ start a GoFundMe is not sufficient. Need to think about how dollars are flowing into businesses during the recovery phase and also what is the narrative around support for businesses in that phase.
- We must remain vigilant in the conservation of our forests, waters and lands. Our gem is Vermont, our best defense against climate warming is nature itself, and in the long run, our natural resources will be what is most valuable. As Vermonters, we must always favor respect for our natural surroundings over disrespect, and integrity and education over lies and ignorance.

Tradeoffs/ tensions in terms of what benefits businesses and climate goals

- There are tradeoffs between being a small business owner and wanting to contribute to climate resiliency efforts, while also not wanting it to be more difficult for businesses to operate (increased costs and red tape). Any incentives for small businesses to transition and pitch in this way is extremely helpful.
- There are instances in which business-oriented actions contradict goals of the Climate Action (i.e. degrading resilience, releasing emissions, hurting water quality, hurting biodiversity, etc.).
 - Need to be careful about what we are suggesting will benefit the climate – for example, there is a focus on forest management, yet the wood product sector is a large part of the economy.
- How can we incentivize good decisions / encourage active management of forests to get the wood products that we need while also making sure to create places on the landscape that boost resilience to floods, droughts, and other challenges to species in Vermont. This is an important question that has to be embedded in conversations, and

we have to make choices about balancing uses on the landscape. We can't do everything everywhere.

- We rightfully get 96% of our wood product volume from private lands in Vermont. Public lands in Vermont can provide flood resilience, carbon storage, and biodiversity benefits that private lands can't provide with the same level of public accountability. Need to ensure that we are getting the maximum public goods and services from public lands and dollars that go to resilience-related and emissions reduction efforts.

Workforce:

- Consider workforce impacts and how different employees have experienced climate change (i.e. how heat has impacted employees who work outside)
 - There is momentum in the workforce around companies developing products, technologies, and services for reducing greenhouse gases and many businesses are thinking about how to be innovative and sustainable whether they are conservation, natural resource, or land-based professionals. There are a lot of forward-thinking business and public sector job opportunities that are looking for problem-solving and teamwork as necessary skillsets which is what we will need to have in the future workforce to foster partnerships with education, address urgent needs, etc.
 - The Public Health Task Group is considering the effects of extreme temperatures and air quality on a workforce that works outside and is negatively impacted by increasing problems with ozone, smoke from wildfires, etc.. More people are having to do work in the heat, including those who come to assist during disaster recovery.
 - We need a workforce that is equipped to provide services related to wind turbines, solar panels, and heat pumps, and understand and become installers of the new technology that is not fossil fuel related.
 - There is a need for more climate change classes taught in high schools and middle schools, as well as more programs in technical high schools in order to build the workforce.

Continuing to engage around these issues

- Vermont Chamber of Commerce is happy to partner with the Council in the future to raise awareness of businesses to come and speak about their concerns directly/ or get their written input.

Participants

Sophi Veltrop, Dustin Bowman, Scott McCormick, Jeremy Roy, Marian Wolz, David Deen, Andrea Wright, Jim Stiles, Edward Barber, Megan Sullivan, Edward Fox, Kelly Pajala, Stephen Dotson, Dahlia Cohn, Bronwyn Cooke, Owen Sette-Ducati, Evelyn Seidner, Brian Woods, Danielle Bombardier, Henry Amistadi, Chris Company, Jeremy Little, Caroline Paske, Max Saylor, Eric Forand, Anna Vold, Miranda Dupre, Sam Mayne, Katharyn Hassan, Liz Amler, Molly Mahar, Anne Margolis, Callie Fishburn, Stephanie Boucher, Otis Ellms-Munroe, Judy Kowalczyk, Kelly Klein, David Snedeker, Roxanne Vought, Kelly Ault, Charlie Ansley, Ben Rose, Zack Porter, Jackie Dagger, Mike McConnell, Logan Nicoll, Catherine Lowther, Val Stori, Hilary Solomon, Carra Cheslin, Alice Peal, Bill Chidsey, Kati Gallagher, David Plumb (facilitator), Charlotte Goodman (facilitator)