



Part Three

Vermont Culture / 35

Population / 44

Natural Environment / 50

Working Landscape:
Agriculture and Forestry / 55

Built Environment:
Land Use and
Development / 64

Economy / 71

Education / 80

Human Services,
Health, and Safety / 87

Infrastructure / 94

Energy / 100



The following chapters are the synthesis of public forum notes and interviews, statistical polling, written comments, trend line research, and the many other contributions from Vermonters described in the Introduction in Part One of *Imagining Vermont*. They reflect, to the best of the Council's ability, the essence of what Vermonters shared. The Council's purpose in these chapters is to reflect what we have gathered about important subjects, whether they are emotional, divisive or matter-of-fact. All of the information was organized into ten key issues areas: *Vermont Culture; Population; Natural Environment; Working Landscape: Agriculture and Forestry; Built Environment: Development and Land Use; Economy; Education; Human Services, Health, and Safety; Infrastructure; and Energy*.

While each chapter encompasses a wide range of research and discussion, a common framework is used. Quotes from Vermonters illustrate specific points or show a range of opinions, and research and polling provide balance to the individual voices, lending authority or illuminating contradictions in the ideas expressed. All references, unless otherwise noted, are from the St. Michael's report *Vermont in Transition: A Summary of Social, Economic and Environmental Trends*, the companion volume to this report. When UVM's Center for Rural Studies web and telephone surveys are referenced, these percentages and data are found in the *Looking Ahead: Vermonters' Values and Concerns* reports.

The Council invites every reader to think about conclusions from the data and what directions it might suggest for Vermont. These chapters summarize what the Council heard; the Council's own conclusions can be found in Part Two of *Imagining Vermont*.





Vermont Culture



Culture is who we are, how we live, what we think and what we care about; it is patterns of thought and behavior that are learned over time. Culture is expressed in myriad ways including the arts, literature, traditions, how people relate to the land, participate in civic life, and spend their leisure time. Vermont culture and civic life today face tensions between rural values and traditions and the complex demands of modern life. Vermonters value the small scale and rural nature of the state, but recognize that it poses significant challenges for residents. They look to a future where the state has grasped the best opportunities ahead without destroying what is most essential to and most valued about Vermont.

“Vermont is its own deal.”

– *High School student in southern Vermont*

The Vermont Identity

“People are very intense about being Vermonters.”

– *High School student in Manchester.*

Most Vermonters believe that the state has a unique identity. The Council took testimony from thousands of Vermonters about what Vermont meant to them. Hundreds of them began their testimony by describing their family history here in Vermont, or when and why they moved here. Their words typify some of the common feelings Vermonters have for their state, and for being Vermonters.

“I’m a newcomer. I’ve only been here eleven years.”

– *Bennington*

“I was born a Vermonter, and no matter where I go, I will be a Vermonter.”

– *Middlebury*

“I moved here because of the ideals of the state.”

– *North Hero*

“I’m imported to Vermont, but I don’t want to go back.”

– *Middlebury*



One man said he was attracted by what he saw as a unique direct connection to nature and the “viable small town ethic” of the state; “I’m not a native Vermonter, but I came here for a reason.” A Newport resident described the Vermont cultural underpinnings of simplicity, common sense, neighborliness, and pragmatism as core elements in the Vermont identity. “If you’re born here, you have it, and when you come here, you get it.”

The sense of identity is not always inclusive: Vermont has a reputation of being fierce about who gets to be a “Vermonters.” It is a tension that citizens joke about; “just because your cat had kittens in the oven doesn’t make them biscuits” – even though you move here and your children are born here, you may not be recognized as Vermonters by those of your neighbors whose families have been here for generations.

Some newcomers do not feel valued. An immigrant from Canada with twelve years in Vermont related that, “I feel like a Vermonter...but not really.” Many complain of an “us and them” attitude within communities between newcomers and natives. While Vermonters celebrate tolerance, some may be less enthusiastic about acceptance. For many newcomers, it feels as though it can take years to be considered a Vermonter. Many “flatlanders” who move up from the relatively flat states to the south, describe themselves as still somehow feeling like outsiders thirty years after having moved north.

On the other side, some Vermonters are concerned that the influx of newcomers to the state has changed Vermont in their lifetimes and that Vermont’s distinctive identity is rapidly disappearing into a modern and fast-paced way of life. As one forum participant put it, “As folks move in from the outside, they want to bring what they left.” Some towns in Vermont are primarily made

up of native Vermonters; in others the majority of residents have come from elsewhere. Tensions between groups can be exacerbated when newcomers bring resources out of scale with local standards of living, build out of scale houses, post their newly acquired land, or unconsciously violate other local cultural traditions.

“People are very proud and hardworking and sometimes it gets carried to a fault.”

– *Brighton*

“I think it’s a lost cause! I think it’s like trying to bring people back to life; [Vermont’s] going downhill all the time.”

– *Middlebury*

“There used to be a strong feeling that you had to be born here to be a Vermonter.”

– *St. Albans*

While some may not feel included in their community, others describe ways to become Vermonters. One new arrival to Vermont said, “I moved to Brookfield and joined the fire department.” A St. Johnsbury resident also noted the tie between acceptance and contributing: “I am accepted as a Vermonter because of my involvement and willingness to participate in community.” Others report that rolling up their sleeves and working to help the community was the best way to get connected. Vermonters value hard work and respect hard workers and those who want to contribute.

“There’s a closeness here, a willingness to take people in, a great sense of community. Everybody gets, ‘well, you’re not a Vermonter,’ but that’s OK. As an outsider I feel very welcomed. When people recognize things I’ve said, as an outsider, it really makes me feel at home.”

– *St. Albans*

One non-native described the two groups as “True Vermonters versus ideological Vermonters.” In his estimation, true Vermonters were born here, and ideological Vermonters choose to move to the state because of its land, people, values, and opportunities. The dynamic and ongoing challenge to Vermont’s social fabric? To him, “they need to be integrated.”

Vermont Values

The highest rated value from the Council’s telephone poll was “the working landscape and its heritage.” The next six top values demonstrate other elements of the state that connect to the character of the state.

These values, particularly the connection to the land, were reflected in all the public forums across the state. Vermonters shared their strong feelings about the environment; whether they were relating stories of working the land, enjoying recreation on it, or just admiring the view. Vermonters also gave voice to some distinct ideas that were highly valued: sense of community, sense of history, small scale, regionalism, civility and tolerance.

Sense of Community

Vermonters are engaged in community. Vermonters tend to trust their neighbors much more than other Americans do, and they volunteer to support the less fortunate or work toward the progress of their communities at rates well above most of the rest of the country. One tenth-grade student in Randolph called community the “essence of Vermont.” A Middlebury resident makes the claim that “Vermont is community in all its aspects,” and an attendee at a Waitsfield forum put it even more succinctly: “Vermont means community.”

Remarks like these are borne out by scientific quality of life studies of Vermonters’ attitudes toward their communities, their feelings of safety (84 percent feel safe in their neighborhoods, versus 41 percent nationally) and reported feelings of trust: where Vermonters feel “most people can be trusted” more than twice as much (71 percent) as Americans in general do (34 percent). One forum attendee in Newport said, “To be a Vermonter is not to be anonymous.”

When people talked about community, they often refer to attributes of small scale, care and neighborliness, civil discussion, hard work, isolation and privacy. Vermonters at the public forums frequently articulated how it feels to live in a place where community members know one another, where government is accessible, and where socio-economic differences are not obvious. There is a sense of responsibility that comes with living in a small place. In St. Albans, a forum participant described it as accountability to neighbors and townspeople. “[We] feel a sense of personal responsibility. We think things should be taken care of, so we do it ourselves.” Another citizen said, “In Vermont, if you don’t do the good work, someone else will. Everyone’s taking care of the important things.”

Some Vermonters discussed trends in contemporary life that challenge the definition of “real Vermonter” as participation in or dedication to community. They spoke with concern about what they see as a growing cultural gap between those people who work from home or commute to work regularly and have little to do with their communities and those who still connect locally, seeing and interacting with their neighbors. One participant from the Rotary Club in North Hero told the Council that Vermonters in the twenty-first century suffer from “time poverty.” To him, people are being crushed by growing hours

Vermont Values: Highest percentage of “agree” and “strongly agree” responses:

| Statement | Percent |
|--|---------|
| I value the working landscape and its heritage | 97.2 |
| I am proud of being from or living in Vermont | 93.6 |
| I value Vermont’s spirit of independence | 93.1 |
| I value the privacy that I get in Vermont | 91.0 |
| I believe Vermont’s creative communities are valuable to the state | 89.2 |
| I value the small size and scale of the state | 87.9 |
| I trust my neighbors | 86.2 |

Source: Center for Rural Studies (<http://crs.uvm.edu>) (N=699)
 2008 Council on the Future of Vermont Telephone Survey

of work, growing commuting hours, the expansion and increasing speed of communications, and other complex time commitments inherent in modern living. As a result, people have less leisure time and more busy and stress-filled lives. They have less time to participate in or contribute to the community, and town government and society can suffer.

The ideal of picturesque farms, quaint villages, and small shops held together by a small school and local church has its reality, but can also be romanticized. Like any place, Vermont has its share of social ills such as crime, domestic violence, drug abuse, poverty, and hunger. Some attendees warned about having a false romanticism about old attitudes, holding that while Vermont needs to celebrate the state's heritage, it should be "adaptable, not ossified." Vermont is complicated, not simple, and an idealized view of the past can unrealistically portray the lives and contradictions of history as a false guide for how Vermonters choose to live today. Many Vermonters in the twenty-first century, telecommute, work in relatively urbanized settings and live contemporary lifestyles, even in small towns.

As citizens, Vermonters are dedicated to community, but also fiercely defend and celebrate the freedom of the individual. The state motto, "Freedom and Unity," epitomizes these values but also points to the perennial challenge to define the balance point between the rights and responsibilities of the individual and the needs and interests of the community. A school superintendent from the North East Kingdom told the Council, "Vermont values are a paradox...the individual has a sense of autonomy and the community has a sense of importance. Vermont has to balance an appreciation and respect for self-reliance and individuals, and still have collaboration and community initiatives."

For many Vermonters, the success of Vermont depends on the preservation of the vital sense of community; it may not answer all the state's problems, but it could be a pre-condition to solving them. A caller to a Council on the Future of Vermont live WDEV radio show typified this common attitude saying, "Sustainability will result from shared community."

Sense of History

Whether they are new to Vermont or have lived here all their lives, residents are proud of the history of the state. This came out in the CFV forums as a particular pride in the state's many 'firsts.' Residents claimed the following examples, and others, as proof that this small state has been and could continue to be a leader for the nation.

- The first independent state to have a written constitution.
- The first new state to join the nation under the U.S. Constitution.
- Leading the first victory of the American Revolution in the capture of Fort Ticonderoga by the Green Mountain Boys.
- The first state constitution to ban slavery; first in opposition to the fugitive slave law; highest in per capita participation and casualties in the Civil War.
- The first to ban billboards.
- The first to build a bottle return law.
- One of the first in leading environmental and land use planning legislation (Act 250).
- The first state to pass a Civil Union law.

A factory manager in Middlebury put it like this: "Remember where Vermont comes from. Social responsibility is our hallmark.... History affects our present and the future; it gives you a clue where you want to go."

Innovation, Arts, and Heritage

One of the research chapters of *Vermont in Transition: A Summary of Social, Economic and Environmental Trends in Vermont* provides an overview of the role of arts and culture as economic drivers through the 'Creative Economy.' In public forums throughout the state Vermonters pointed to the high value that the arts play in community life. Vermont is a good place for arts and artists. The natural beauty of the state and its scale, and the authentic communities, each with a wealth of historic buildings, attract and inspire artists and provide material for their work. Because Vermont is so rural, theatres, community art centers, and libraries serve critically important roles as centers of community life; without them many Vermonters would be more isolated. They are an essential part of the quality of life in Vermont, called by one forum participant the "spirit of Vermont" – the cultural assets that make this an attractive and dynamic place to be. For example, in 2002, nearly 6.5 million admissions to cultural events were recorded in the state. The New England Foundation for the Arts also records that Vermont ranked thirteenth nationally in terms of the percentage of artistic workers in the labor force in 2002. To many Vermonters, the combination of arts, culture, authentic communities, and heritage provides a foundation for the state's economic future.



Vermonters often celebrate the connection between arts, community, and economic creativity. Vermonters have a long history of invention; from agricultural products and techniques to industrial scales and machinery; from specialty cheeses to snowboards and software. That reputation for innovation serves as a magnet that attracts creative people to the state. Many Vermonters told the Council that the state can serve as a center for innovation and an incubator of new social advances, inventions, political experiments, and economic development ideas, especially in the economic recession of 2009.

The scale, climate, and economy of Vermont have required people to be adaptable and creative just to survive here. Many rural Vermonters have a reputation for their ability to fix, mend or adapt to get the work done in the farm, mill, or quarry. One participant claimed that adaptability and creativity constitute the story of Vermont history, and wanted to see it move forward, “I want Vermont to lead the country in policy,” to resolve the health care challenge, to advance clean energy development, to expand the local economy. To one Vermonter, Vermont is, “an oasis of possibility of the best things in America.”

On the other hand, tradition and heritage can connect to the more conservative side of Vermont characteristics. Vermonters will often resist change that seems to violate traditions. A Hyde Park resident told a joke to illustrate the difficulty that many towns have in accepting change: “How many Vermonters does it take to change a light bulb? Three – one to change it and two to complain about how they liked the old bulb better.”

Small Scale and Quality of Life

Vermont’s size makes it an intimate place, a homey place; instead of six degrees of separation, a Champlain Islander told the Council, “we have one-half degree of separation.” Vermonters everywhere love the smallness of the state and recognize it as a huge asset, even while seeing the contradictory challenges associated with it. Vermonters point to the small size of the state and claim that Vermont’s small population and geographical size encourage adaptability that can help the state continue to be a leader for the nation.

“Our advantage of a small scale is something that we should play to – be able to network very effectively. It’s a lot more difficult in other areas of the country – they rely on someone else to do it – we have to rely on ourselves.”

– *St. Albans*

“We do have a great sense of place here. That feeds in to the community that everyone is talking about: you can walk around downtown... and you know everyone – it’s still small. It’s a nice feeling. The accessibility of government; this you really don’t have anywhere else in the country or maybe even in the world.”

– *Brattleboro*

People say they love the simplicity of life in Vermont and that Vermonters don’t rush about in a rat race to keep up with the Joneses. Vermont is “un-manufactured,” “authentic,” safe, trusting, and family-oriented. They say people come here because they decide to trade their faster-paced lifestyle for a Vermont lifestyle.

“I see Vermont as slow, which I like, and is why I live here. Not everything is in a hurry. Relatives outside of Vermont say it takes us an hour and a half to watch 60 Minutes, and I like that.”

– *St. Albans*

One forum participant made the claim that the quality of life is tied to low expectations; Vermonters accept dirt roads, some lack of services, and minimal infrastructure because that's what it means to live in a rural area. Conflicts can arise based on demands for services that work well in more urban settings or that newcomers expect to see as municipal services; things that other Vermonters might not have traditionally paid for, may not feel are needed, or do not want to support.

Sometimes, small, tight-knit communities can feel insular and parochial to residents, which is a challenge that contradicts the 'innovative incubator' view of Vermont. This can be especially so for youth. Rural areas across the country see the flight of youth – a Randolph teen can't wait to leave: "Vermont is a horrible place to live." Another high school student from Orleans who wants to stay told the Council, "Vermont is peaceful and calm. There's not much going on."

Local and Regional Identity

Vermonters are passionate about the state identity, but they are even more connected with their local community. There are distinct regions in Vermont, each of which has a sense of identity separate from the rest of the state. Whether a resident lives in the Northeast Kingdom, the Upper Valley, Chittenden County, the Champlain Islands, or Southern Vermont, there is a resonance with the way of life in that specific place. The issues on the table in a small town are close to the hearts of the residents there, as are the community activities, the vitality of village centers, and the ongoing quality of life in small towns and communities. Many of Vermont's cities maintain an important human scale with vital neighborhoods and strong downtowns. Because of this local focus and the smallness of the state as a whole, many forum attendees described the state as one big small town.

This local or regional identity sometimes is marked by a sense of division from other areas of Vermont. "I'm not sure the state knows there is a southern Vermont," remarked one forum attendee. "The Northeast Kingdom is different from the rest of the state," said a Community College of Vermont student. Chittenden County residents sometimes feel divided from the rest of Vermont and vice versa. This was a concern that could be heard in many of the smaller towns that the Council visited, from Island Pond to North Hero to Guilford to Poultney.

"Vermont is what the USA used to be; the Northeast Kingdom is what Vermont used to be."

– *Jay*

"Vermont is Chittenden County and then the rest. We need to address the fact that this split exists and figure out the challenge and the opportunity."

– *Burlington*

"In the Upper Valley, the border disintegrates with New Hampshire. There's a multi-state feel."

– *White River Junction*

Municipalities exert unparalleled leadership in Vermont, in part because Vermont lacks significant county-level government. Regional development corporations and planning commissions provide effective services, but do not have the authority of regional organizations in other states. Many forum participants remarked that there is sometimes a provincial mindset in local municipalities; that it is hard to get collaboration going between towns or communities. A common thread running through the forums was a call for the state to cherish the differences between regions, but also to build on opportunities for common action between communities willing to support regional approaches.



One Vermonter described the paradox of local control versus regional efficiency in government; he claimed that the old joke “you can’t get there from here,” sums up some of the local attitude that undermines cooperation between towns, regions, and the state. Some believe that local control and the heritage of local participatory government are critical to the “grassroots of maintaining the mechanics of democracy,” in an era when mass communications and big money dominate national decision-making. To others, the “small town attitude” around local control impedes efficiencies and undermines regional and statewide progress.

Civic Engagement and Civility

Vermonters are tough on their state government. Because they have such pride in local communities, they want state government to leave them alone, get on board, or lead; but certainly not get in the way of local initiatives. Vermont’s scale means citizens have unprecedented access to their representatives in the legislature and other government officials. There is still no metal detector at the State House, the governor can be called by first name, most Vermonters know their state representatives, and research shows that Vermonters participate in elections 30 percent more than most Americans. Vermonters express their frustration when political partisanship overwhelms civil discourse. One citizen told the Council that Vermont faces a major challenge in that there is “less civility in government both at the state and the national level, and a complete lack of bi-partisanship. There’s much less common ground than there used to be.” Others praise the civility of Vermont’s political culture that allows for vigorous debate on contentious issues, while remaining respectful.

Vermonters engage in participatory government. They struggle to maintain the tradition of town meeting and work together for their communities. Participatory government in Vermont, while strong, faces challenges. The technical nature of modern life makes municipal management more complex every year. The current plight of communities that rely on volunteer fire departments is one example. Volunteer firemen used to involve a strong cross section of town. Now, with many working outside the community they live in, it is harder to have the consistent volunteer coverage needed. The expectation for technical skills has also grown to where a fire department may require over 100 hours of training as part of the volunteer responsibility.

Where government fails to act, Vermonters turn to non-governmental associations. Vermont has more nonprofits per capita than in any other place in the country, and is a leader in volunteerism. “There’s no community problem that can’t be looked at with many eyes and worked on with many hands,” relates one forum participant. Committees proliferate and processes are long, but, as one man testified, these are the “micro-institutions of democracy.”

School and select board and municipal management complexity is increasing in like order and it is more and more difficult to find candidates for local school boards, planning commissions, and town offices. It can be hard to recruit the volunteers for the numerous boards and committees that hold community programs together. There is also the challenge of the complexity of governance around the multiple layers of regulation and mandates, which can undermine local control and the financial capacity of local communities. Some believe that this complexity has and will further compromise local democracy and citizen participation in civic life.

The diversity of Vermont’s political life is built on a functional dynamism of conservatives and liberals, natives and newcomers, regional differences and perspectives on the future of the state. The state has a “blend of conservative pragmatism and liberal progressivism,” said one participant. Several others described the state as a liberal society with conservative principles.

Vermont civic culture revolves around enduring dialogues. One example is the juxtaposition of the ideals of open land, the working landscape and the anti-sprawl attitude prevalent in the state with efforts to attract new businesses and retain or develop jobs for Vermonters. This political issue is also a central cultural dialogue that has continued for decades in the state as Vermonters wrestle with finding the balance point between growth and development. Often the state looks to a “third way,” like that proposed by Governor James Douglas: not environment or development alone, but a unique and positive balance between them. Where that balance point is located is the topic of endless, and probably inevitable and necessary, debate. Another example is the dialogue about a very contentious issue: the passing of the Civil Unions bill. Although the topic was passionately debated, people were given their chance to speak and others listened. Ultimately, the passage of this legislation led the nation.

Another cultural contradiction and continuing dialogue involves the idea of Vermont exceptionalism. “Vermont is the soul of what is good about the United States.” At almost every forum Vermonters expressed a strong sense of the uniqueness of the state. Yet at the same time, the Council heard respondents say ‘our common values aren’t different from anywhere else,’ or ‘these things are true of other places too.’ Vermonters want the conversations about this state to be real and authentic – not overblown with self-satisfaction, smugness, or boastfulness. The Center for Rural Studies poll shows that Vermonters second and third ranked values are “pride in being from or living in Vermont,” and “Vermont’s spirit of independence,” (see the table at the beginning of this chapter). At most forums Vermonters expressed a sense of balance between recognizing and celebrating a pride in Vermont and realism about the state relative to the larger world around it.

Tolerance

When Vermonters listed their values at the public forums, they pointed to tolerance as a common trait. Many participants also point to the neighborliness of Vermonters – neighbors will help each other out when they need it, but also point to privacy – people are left to live their own lives. Many citizens here expressed satisfaction with Vermonters’ willingness to tolerate and live with a wide range of ideas and life styles; that many voices, opinions, and people can come together and work on a common issue. One citizen from Rutland said: “Vermont means tolerance. It’s not about your lifestyle, as long as how you live doesn’t hurt others, but what you do that counts.” Another from Franklin County echoed, “Tolerance and acceptance of other people for whatever they are. People are equal – gender, race, sexual orientation, we’re equal. I think this is all over Vermont.”

Although tolerance may be an ideal value for citizens here, many Vermonters worry that growing socio-economic disparity strains this tradition and ideal. Vermonters said that modern life and a growing socio-economic gap in the state was responsible for a change in tolerance. Vermont’s gap between the wealthy and the poor has been rising in the past decades. Though income inequality is considerably less in Vermont than in the rest of the nation, people here worry about it. Residents praise a history of “socio-economic inclusion” but many express fears that divisions will

grow in Vermont as the rich get richer and the poor get poorer and people of different groups live in less connected circles – disconnected within communities, and disconnected between wealthy and less well off towns. In the commuter culture that is increasingly common across Vermont today, people of different means and lifestyle do not come into constant contact at the store, the post office, the gas station, or the farm as much as they once might have.

“There is a different perspective from people who are at the bottom looking up. The real view is not what the outsiders want to see.”

– Bennington

*“How many Vermonters does it take to change a light bulb?
Three – one to change it and two to complain about how they liked the old bulb better.”*



Vermonters also express concerns about how welcoming the state is to the non-white and minority groups in the state. In public forums, Vermonters, especially those in and around Chittenden and Washington Counties or those involved in education or social services, noted that Vermont has a hard time addressing the needs of an increasingly racially and ethnically diverse population. Vermont has had difficulty anticipating and supporting the needs of people who speak languages other than English, or who have family structures and religious or cultural practices that are unlike those of the majority. From foreign language translators to diversity training for school teachers, there is a wide range of structures that the state has increasing need of. Many Vermonters said that growing racial and ethnic diversity should be celebrated and supported, rather than allowed to become a source of tension.



Points of Unity



“We are independent minded and strong willed. If there’s an issue, Vermonters will have an opinion on it,” a citizen from Marlboro told the Council on the Future of Vermont.

At CFV forums, Vermonters spoke at length about the quality of life, the arts and creativity, hard work and agrarian heritage, and the independence and self-reliance of Vermonters.

Defining the ‘Vermont way’ is crucial to citizens of this state, especially to avoid the destruction of Vermont’s cultural values and community values. Everywhere, Vermonters want to maintain their distinctive culture and sense of place, but not at the expense of “progress.” Vermont is an activist state: Vermonters do not want to be defined by an idea of progress imposed from the outside, but to define themselves and their own future.

Protecting culture and community is not just a passive feeling for forum attendees. Vermonters are calling for action in response to the threat to the sense of community. They describe the atomizing tendencies of modern life, with commuting and new technologies that challenge the social fabric so vital to local communities. They share concerns about the challenge of socio-economic divisions in towns throughout the state. All of these things are threats to what Vermonters repeatedly testified that they cherish about community.

Many participants praised the Council on the Future of Vermont dialogues, pointing out that it would be hard to produce such a process in most other states. When the Center for Rural Studies poll asked about the first step to achieving one’s most important goal for the next generation, over 30 percent of respondents identified an increase in civic action as the important next step. Vermonters believe that the state is just the right size to come together, recognize the contradictions and paradoxes inevitable to our society and culture, and still succeed in setting common goals and acting together toward an envisioned future. As one respondent commented, “Vermont is at a point where we have to work together.” Recognizing the challenge of the entire Council on the Future of Vermont effort, one Vermonter reviewed the difficulties ahead but hoped that as a state, “we have the courage to agree with each other and move toward action.”



Population



In listening sessions that the Council on the Future of Vermont conducted throughout Vermont, citizens talked about trends in race, age, income, educational attainment, home ownership, regional differences, employment status, and location of the citizens who live here. A few demographic characteristics, such as the loss of young people, newcomers to the state, increasing diversity, graying of the existing population, the number of people the state can support, and growing disparities in wealth and income are emphasized by citizens as they think ahead about priorities for the future. Vermonters interpret these changes in population both positively and negatively, focusing on the opportunities presented or challenges predicted.

General Population Characteristics

Vermont has a small and relatively homogeneous population. The research conducted for the Council on the Future of Vermont showed some very interesting characteristics of Vermont, some of which were worrisome to Vermonters, and some of which seemed

natural or normal to them. While the state is distinct from other parts of the country for a number of reasons, it also follows trends that New England or the country as a whole experience.

Vermont has grown slowly over the past century at an average annual rate of about one half of one percent. Some decades, however, have seen much more rapid population growth. In the 1970s the state grew by 15 percent; in the 1980s it grew by another 10 percent; and in the six years between 2000 and 2006 Vermont added another 2.5 percent to its population. In the recent past Vermont has had lower than average birth rates, as well as lower than average death rates. There has also been a steady decline in the number of residents born in Vermont; in 1960 approximately 75 percent were born here, but by 2005 that number was around 53 percent of the population.

Most Vermonters identify themselves as being white and non-Hispanic. In 2006, while 67 percent of the United States as a whole identified themselves this way, in Vermont, 96 percent did. This demographic characteristic tends to affect others trends, such as Vermont's older population (white people in the United

States generally have an older population average), or low mortality rate (while white people have higher suicide rates, they generally have lower mortality rates than other ethnicities). Vermont also follows the national trend of an aging population, and like neighboring New England states, has a somewhat older profile than those southern or western states that also have a much more diverse population.

Vermont has a highly educated population. In 2007 the percent of adult population in Vermont with a bachelor's degree (35.5 percent) was much higher than the national percentage (28.7 percent). Research also shows that some Vermont characteristics – its highly educated citizens and fewer young people – correlate with lower rates of poverty and unemployment. It is also interesting that Vermont has an unusually high percent of people over sixteen years of age in the labor force (sixth highest in the nation). This is explained by the fact that women in Vermont participate in the workforce today at much higher rates than they do nationally (67 percent compared with a national rate of 59 percent).

Over the last generation, family structures have changed significantly in Vermont. In 1970, 80 percent of families in Vermont consisted of two married parents with children. By 2006 that figure had declined to 65 percent, and only 50 percent of all Vermont households were married couple families.

Old and Young in Vermont

Age Related Challenges and Opportunities

“The aging demographic is a challenge,” a young inmate at a work camp in Caledonia County told the Council. The aging demographic is a commonly known phenomenon across the United States, especially in rural areas; Vermont's trend reflects the national aging of the “baby boom” generation (the generation born between 1946 and 1964). Today 13 percent of Vermonters are over 65 years old. In Europe, 16 percent of the population is over the age of 65 and in Japan the figure is 21 percent. By contrast, in less developed countries, the percent of population over 65 ranges closer to 5 percent; these are places of high mortality and high fertility with dramatically younger populations. The causes of an aging population are low fertility (producing fewer children), low mortality (which allows more people to reach old age); and migration (which is always selective of age). In Vermont's case a combination of all three is at work.

In 2007, Vermont's median age was 40.8, compared to the US median of 36.6, which ranked Vermont second oldest (behind Maine at 41.6). It is important to note that this aging phenomenon is taking place throughout the U.S., but New England states have historically been “older” in various measurements than west coast and western states in general and Maine, New Hampshire, and Vermont ranked among the ten states with the highest proportion of elderly for much of the twentieth century.

Some Vermonters fear that the number of older people in the state who will be dependent on the working-age population will be disproportionate to the capacity of the economy to support them. Across the state, many forum participants see a future in which Vermont will need more medical and social services to support those who are growing older and will have fewer wage-earning adults to support their costs. “Looking ahead, the demographic shift to more senior citizens creates a health insurance crunch, tax issues, teachers' pension plans being short-funded, Medicaid issues... All those expenses will need to be covered by fewer working people,” a resident in St. Albans said

On the positive side, many Vermonters expressed their hope that there is a significant opportunity in having an older population of retirees or part time workers. These individuals might have more time to offer volunteer services in the communities where they live than the young families and full time working Vermonters do. Moreover, supporting these older citizens may stimulate job creation in the medical professionals, investment and financial planning, and labor-related jobs (gardening, landscaping, plowing, etc).

Since there will be increasing numbers of people in this generation retiring around the same time, employers in the state, including state and municipal government, will have to fill the vacancies in the workforce created by this aging population, as well as provide employment to new workers. At a meeting with the Rutland Regional Planning Commission, one participant put it this way: “We need to boost the family-age workforce. There is a disproportionate amount of near-retirement-age people – those with the highest skills will be leaving – and we'll have to fill those jobs.”

Youth: Mobility and Connection

While Vermont is seeing the increase in the number of people living in their senior years, there are fewer people in the younger age cohorts. Research shows the decline in young adults in the state. Many forum participants are particularly worried about this combination.



More Vermont high school students are deciding to attend college out-of-state than in-state today. Many Vermonters believe that this out-migration is normal and parallels previous historic trends. To some of them the fact that young people go away is not a bad thing in itself; it makes for well-rounded and better-educated youths. Research findings demonstrate that highly educated young people are the mostly likely to be mobile, whether they live in Vermont or elsewhere in the country. Indeed, Vermont, like many other states has a net loss of college graduates – many young Vermonters leave and do not come back – but it also has one of the highest densities of college graduates in the country today.

Even as more Vermont high school students are choosing to attend school out-of-state, data shows that the state imports more young people to attend its colleges and universities than it exports. There are vital and eager young people moving in and making their homes here, at least for four years. Young people are attracted to Vermont, whether for schooling or because with the way of life appeals to them. A young man in Bolton commented that: “There’s a sense of community here. I’m staying because I like that sense of community – [I] grew up in Massachusetts and most of the friends I know have gone back there. But while I like to visit those places, I want to stay here.” Some young Vermonters do return to Vermont eventually, and the state attracts other well educated residents.

Still, Vermonters worry that some of the most talented youth leave for higher education or professional training, and then stay out of state for the better jobs. Many point to the high cost and limited availability of housing, the lack of entry-level job opportunities, and the expensiveness of life in Vermont as the primary reasons why young people leave. But little systematic research has been done to ask young people what they need to stay, succeed, or actualize their skills here.

Clearly, Vermonters want to see young people energizing the state with their vitality and innovation. In Poultney, one respondent put it this way: “There is an out-migration of people in their 20s and 30s, but we need those people to remain a vibrant state.” Others feel strongly that youth should have opportunities to return and take up a job here. In Barre, one participant told the Council on the Future of Vermont: “It’s normal for kids to leave Vermont; but I’m not sure if the kids of this present generation will come back.”

A municipal leader in Randolph phrased this in stark terms, “Vermont has a brain drain. We’re educating our children well and they have to go elsewhere for a job. There are not enough decent jobs for young people.” A student at Randolph Union High School expressed in positive terms that, for her, “Vermont is a comfort zone; on the other hand, young people like adventure and there is nothing to do. Cities provide more adventure and stimulation.” A student at Vermont Youth Conservation Corps told the Council of his intentions: “I think it’s good that kids leave the state because we got no jobs... I’d leave for, like, construction in Arizona because they need English speaking people.” At most of the forums, participants were well aware of the issue, but most people were less worried about young people going away than with ensuring that Vermont had the economy and quality of life to attract them back home after their travels.

The Council on the Future of Vermont launched a contest with the Vermont Young Writers Project to solicit writings from current students in elementary and high school. Hundreds of students contributed their perspectives on Vermont, its challenges and its future. Their essays, poems, and other writings demonstrate a great pride in having been born and raised in the state, but they also show the draw of seeing the wider world or finding a job that can expand their experience outside Vermont. Young people resonate strongly with the natural landscape, the seasons, and even the small

town and community life, but that doesn't prevent their restlessness or stop them from also wanting to gain knowledge and experience outside Vermont.

Migration: Who's Here? Who's Coming?

Vermonters worry about the trends around age in the state, but they are equally or even more concerned about the effects of newcomers to the state on everything from community cohesion to the state's changing landscape. The Council's research shows that the percentage of people moving into Vermont is higher than in other New England states. Some newcomers move to Vermont to stay; others are here part time. The concerns the Council heard most often about Vermont newcomers related to their effects on their new communities.

Vermont has a reputation as a beautiful and tranquil vacation spot – an ideal place for a summer camp on a lake, or a ski-in condominium on the side of a mountain. The state has its share of second-home owners, vacation homes and summer camps, many of which are only used for portions of the year. Some Vermonters describe challenges when part-time residents leave for long periods of time, neglecting their properties, posting their lands against hunting or trespassing, or generally restricting traditional uses by members of the community. Staff at a Vermont ski resort told the Council on the Future of Vermont that, "Vermonters are protective of community here. For tourists it's 'come, spend your money, and then go home!'" There is a common concern that the wealth of these part timers drives up land and home values and so forces low and middle income Vermonters off the land and away from areas they might otherwise be able to purchase. At a public forum in Washington County, one respondent said, "In twenty years, the rich people will come in and buy the land. Taxes will go up." Many of these immigrants have resources and time to help their communities but may not feel invited to contribute. An elected official in Brighton said, "The new people are a mixture of retirees and people who don't need jobs to live here, like part-timers. These populations have more time to volunteer." But others feel differently, as this participant in Barre explained "Vermont isn't planning for working people to live here. Most people who own homes now would not be able to buy a home if they didn't already have one."

When newcomers arrive, they may stress the

systems in place, challenge the existing rules, expect services comparable to those where they've come from, or question regulations or patterns of behavior that are established in the local culture. Vermonters frequently express frustrations that many areas have passed a tipping point, the old ways are gone, and the historically strong community is deeply undermined.

"Newcomers to Vermont challenge its independence."
– *Franklin County*

"We should maintain Vermont as a place where Vermonters can preserve their Yankee values and not be replaced by people who want to define Vermont as something else."
– *Rutland*

"Vermont used to be more distinct. The culture has changed because other people have moved here."
– *Bennington County*

"We hear that we're facing an increase in newcomers which threatens to destroy the sense of community."
– *Windsor County*

Yet many of these immigrants are active, well intentioned, and have come to Vermont because they like the idea of participating in real communities. They join school boards or select boards, they volunteer and they reach out to their newly adopted community – sometimes successfully and sometimes not. What they see as help to the community, others may sometimes perceive as interference. Acceptance can take time, patience, and demonstrated commitment, especially in small towns.

No matter who they are, newcomers to Vermont generally seemed to be classified by forum participants into categories: those who give back to their town new town or state, and those who treat Vermont simply as a playground or retreat but never try to connect to community. Many forum participants described how they came to Vermont because there are attracted to the land, lifestyle, communities, and values of the place, and they describe the challenge of fitting in when there is so much division between newcomers and native Vermonters.

Income Disparity

The cost of living in Vermont, and owning a home and land, have come to be seen as increasingly expensive by Vermonters across the state. For many, the cost of living and who can afford to live here are connected to the migration and trends in population change in the state.

“There are two Vermonts – the people who choose to come or to stay here, and those who cannot afford to leave. For many low-income families there is generational poverty, like those who are undereducated and cannot get out of that loop.”

– *Randolph*

“There’s an increasing economic division – the wealthy versus the rest, working people versus non-working people, second home owners, etc.”

– *Charleston*

“It’s like all the out-of-staters are more wealthy than other Vermonters.”

– *Manchester*

This issue reflects a perennial tension within Vermont, but one that comes to a point as people look to the growth of gated communities and see the functional segregation of wealth and poverty in other states. Most believe that this is not the Vermont way. The dedication to community affirmed as a common value in the state seems to be threatened by a separation of people by class. According to many who testified, in Vermont there is a tradition of working shoulder to shoulder with neighbors. The state lacks a celebrity culture. Most who spoke to the Council on the issue want to preserve the egalitarian character of Vermont life.

Growing Diversity

Newcomers to the state include people of racial and ethnic diversity. In 2006, 4 percent of Vermonters identified themselves in the U.S. Census as other than white. From 1990 to 2000, for example, the state’s non-white population went from approximately seven-thousand to over nineteen thousand (an increase of more than 200 percent). Public schools in Vermont have gone from having 1.8 percent non-white enrollment in 1990 to over 6 percent in 2008. This change has not been even across the state; certain areas of the state have grown more diverse faster. In Winooski, for example, one-quarter of the students are reported as being “English language learners.” But the change in racial and ethnic identity is not just in Vermont’s populated areas; rural counties and towns have growing numbers of non-white and minority residents as well.

Some Vermonters report instances of racism or prejudice as well as a lack of structural support to handle the needs of new populations; such as not having translators for refugee or immigrant populations

and their children in schools. Non-white residents describe the challenge of fitting in, facing public perception and being accepted as Vermonters. “It’s difficult for white people to think about – they ask me ‘where are *you* from?’ but there’s a subtext of ‘you can’t be from here, so when are you going back to where you’re from?’ There’s no way you could be born and raised here!” reported a person of color to the Council. Some Vermonters see benefits to this steady stream of growing diversity in the state’s population. A Poultney resident looks forward to an increase in diversity over time as providing new ideas and new energy to communities, “Vermont may have some prejudices due to its geographic nature. There has been some racial isolation, but as diverse populations move here, Vermonters need to learn how to address that. Diverse populations may bring new skills and opportunities to the state.” A young member of the Vermont Youth Conservation Corp also sees benefits to welcoming new Vermonters to the state: “I moved here from Chicago, and schools could be more diverse here. People from other places are good – there’s some in Burlington from Africa, Tibet, and other places. This is good – it gets you into the real world to be around kids from other places.”

Refugees and immigrants from other parts of the world add to the diversity in the state. Over the years Vermont has seen immigrants from Cambodia, Bosnia, Congo, and other areas who have arrived as the result of disturbances far from Vermont. Approximately 200 refugees from other countries settle here each year. Many immigrants appreciate the welcome that Vermont has provided, but many of them also wrestle to find ways to realize their potential in the Vermont economy. A member of the Association of Africans Living in Vermont described his situation: “I am a doctor, I was a doctor in Africa, but I can’t practice here. I have to find other ways to help my community, even though I can’t practice medicine.”

In public forums across the state, Vermont residents celebrated the value of tolerance in the state, explaining how different life styles and different people are more likely to be accepted here than in other places. Vermonters seem to want to ensure that there is room for all kinds of people in this state. Many cited the historical example of old farm families that welcomed the ‘back-to-the-land’ movement immigrants to Vermont in the 1960s and 1970s, or the diverse waves of ethnic immigration that Vermont has experienced throughout its history.

There are hidden and illegal populations in Vermont as well. When issues related to Mexican and other immigrant labor in agriculture came up in public forums, the discussion was mostly driven by sympathy for these foreign workers and recognition of their important contribution to farms and the Vermont economy.

Vermont's discourse on racial and ethnic newcomers can sometimes include civic disagreement, values of tolerance and acceptance, privacy and diversity, as well as stories of xenophobia, resistance to change, and even prejudice. The challenge of Vermont's growing diversity, while recognized, rarely receives due focus. One respondent of color told the Council, "There are only a few 'ways' to be black in Vermont. The diversity of the non-white populations exist here, but they don't tend to get recognized or appreciated."

The Size of the State

Vermont residents express immense pride in the small scale of community life, the strength of neighborliness, accessibility to government, and the ability to influence changes as individuals. In the Council's forums, people stated that small size means everyone is connected but also that people have a keen awareness of social issues: inequalities, divisions, and differences. Most Vermonters have a positive feeling about the small scale of this state. At just over 600,000, Vermont's population remains the second smallest in the nation. Although Vermonters feel strongly about preserving the human scale of the state and its communities, the size of the state provides challenges when it comes to affording services. There are many strains on the Vermont economy and on individual Vermonters as a result of the costs of the services provided.

Many Vermonters talked about what a "sustainable" population would look like – a steady-state population that would allow the state to pay for its needs without altering the rural nature of most of its communities. Many forum attendees expressed deep concerns about over-population, especially if their fears about global warming are realized and areas of the West and Midwest dry out or coastal areas are flooded. To them, sustainability connects directly to the carrying capacity of local agriculture. The assets of clean air, abundant clean water, and rural land that are so attractive to newcomers could draw even more people to Vermont if communities and states elsewhere become unattractive or are threatened.



Common Points

Vermont is part of a larger economic and demographic region and subject to dynamics well beyond its borders. Some of the trends that concern Vermonters most, such as an aging population or a mobile young demographic, are national and regional in scope. While statistics do not show Vermont trends dramatically different from the nation as a whole, the small scale and rural nature of Vermont enlarges the impact of any shifts, positive or negative.

The testimony gathered through the public forums of the Council demonstrates that while some worry about the loss of youth, others want to attract new employers and jobs. Most Vermonters, however, place high value on the small size of the current population. They recognize the rewards, as well as some of the challenges, of having a small population. Despite the limitations this implies or imposes, they actively embrace the cultural and social benefits of Vermont's human scale communities as a defining characteristic that is worth preserving. They also recognize some of the most important trends in the state's population; trends that may not be unique to Vermont, but that affect the way of life and are a part of the state's history and heritage. Growing diversity, for example, presents a challenge that Vermonters believe can be tackled with consideration and forethought. Many other states have undergone changes in diversity with success or failure; Vermont has seen incremental growth and seems ready to welcome more diversity over time.

Vermonters have a strong sense of state and local identity. While they see themselves as a tolerant people, it can take time to accept newcomers, and it can take time for newcomers to figure out their neighbors and communities.

Historically, rural areas export youth. Vermonters are concerned about the loss of young people and the potential burden of supporting an older population. Giving young people a good reason to stay or move back to the state is a high priority issue for many Vermonters who attended the public forums. Many, however, have stated that current fears may be somewhat over-blown and that Vermont's quality of life, strong communities and growing emphasis on sustainability, innovation, and green economic development will continue to attract young people in the future.



Natural Environment



Join a public forum anywhere across the state, and citizens will eloquently and passionately expound upon the value of Vermont’s natural environment. Vermonters love the fields and forests, mountains and waters of their state. They readily express their appreciation for the physical beauty of the state and feelings of tranquility inspired by its natural environment, especially when they compare Vermont to other places and states. Vermont’s identity is linked inextricably to its physical environment, which always has been and continues to be a core value for the people who live here. Some Vermonters, however, perceive threats to the state’s natural resources, and have immediate concerns about management, stewardship, and conservation for the future.

The Council on the Future of Vermont used three intertwined categories to describe the plethora of inputs and comments it received related to the Vermont landscape: (1) natural environment (health, recreation, conservation, and preservation), (2) working lands (specifically agriculture, silvi-culture, and natural resources), and (3) built environments (land use, residential, commercial and industrial development not related to working lands). It is important to note that events and changes in any of these areas always affect the others, sometimes very powerfully.

Vermonters and the Natural World

“These green hills and silver waters are my home, they belong to me,” begins the Vermont state song. In public forums throughout the state Vermonters use words like *tranquil*, *peaceful*, *beautiful*, *special* and *calming* to describe the natural world they see around them. “Vermont is an oasis – the most beautiful piece of real estate in the country,” related one participant from Rutland. Another said, “Vermont means ‘The Green Mountain State’... literally. And that is what it means to me. I love that even our license plates are green! When I think of my Vermont home, I think of the natural environment first.”

Vermonters also relish and celebrate the distinct open, outdoor beauty of their state compared to its more densely populated neighbors to the east, west, and south – preferring Vermont views of fields, farms, and forests to the visual impact of urban, industrial, and commercial landscapes in neighboring states along the East Coast.

As a focus group participant at the Caledonia County Work Camp told the Council, “it’s a woodsy atmosphere with fresh air, being away from the big urban sprawl. A few steps outside your door you can be in a wooded area.”

An overwhelming theme from young writers who submitted pieces to the Council on the Future of Vermont Writing Contest was the awareness and celebration of its four – or five – seasons; youth in Vermont schools wrote about the beauty of fall foliage, cold white winters, and verdant summers in meaningful and simple prose.

“We enjoy our seasons. In the spring when we come out of winter we enjoy it with mud bogging and so much more. In summer we hay and ride around on four-wheelers, dirt bikes and horses too... In the fall we put away all our toys and get ready for winter to hit again...When winter comes, we work in the snow and play in the snow.”

– *Oxbow High School, Grade 12*

“[Vermont] means five seasons: spring, summer, fall, winter, and mud season.”

– *Woodstock Union High School, Grade 10*

“Vermont is one of the most beautiful states because we have all four seasons. We experience winter, spring, summer and fall; in spite of everything, they are always there, never missing, always dependable...the feeling of comfort is something you can always expect.”

– *Randolph Union High School, Grade 11*

Legendary as Vermont’s beauty may be, Vermonters understand that images of shimmering streams, rolling green hills, and blue skies are not a complete picture of life here. Living in this environment can be harsh and frustrating. Many Vermonters talked about the long winters, blizzards, floods, resource limitations, and other facts of life here that counter the bucolic images found on calendars and postcards.

For many Vermonters, the state’s natural environment is more than beauty and aesthetics; it is the context that informs a distinct way of living on the land and in community. The landscape both contributes to Vermonters’ sense of connectedness and provides them their cherished sense of privacy. In public forums across the state, residents talked about traveling along isolated dirt roads, cutting logs from their own property, growing their own food, and generally being connected in a positive and intentional way to the outdoor places where they live.

The environment, by turns beautiful and peaceful or harsh and demanding, affects individual and communal behavior. One citizen said, “We’re within driving distance of the best metropolitan areas on the earth, but we can also step out the back door and get

our hands dirty.” Another wrote to the Council that Vermont means, “people who know how to seize a sunny day.” It is interesting to note that throughout the public forums, Vermonters saw the environment as something separate from themselves, but also as something accessible. Citizens of this state revel in the interaction and involvement they have with the natural world, especially when they compare it to their experiences elsewhere.

Recreation and Traditional Uses

Fishing, hunting, trapping, boating, and swimming are activities that Vermonters have long enjoyed. In more recent years, skiing, snowboarding, hiking, bicycling, motorized recreation, and other activities have been added to more traditional outdoor activities.

The importance of easy access to land repeatedly emerged as an issue in public forums, where many participants are deeply concerned that lands that used to be open for hunting, trapping, and fishing are being posted, and woods that used to have more public access are being closed off or subdivided for development. Some sectors of the population feel these changes more acutely than others; the Vermonters who rely on and historically have used the land for traditional purposes and tend to be from more rural areas are more immediately affected than more urban dwellers. The Council heard complaints that residential development and conservation efforts break up largely accessible areas – preventing Vermonters from pursuing those activities that connect them to the landscape.

With their love of the land, and their involvement with it for work or recreation, Vermonters have a very strong conservation ethic; the Development and Land Use chapter includes some history of conservation efforts and the dialogue around environmental regulations in the state.

In public forums, many Vermonters shared their fears with the Council that the traditional uses were vanishing from the landscape or being threatened by potentially conflicting uses. Recreational activities, such as skiing and snowmobiling, or canoeing and motorized watersports, are increasingly seen as potentially mutually exclusive. More often the concerns were about development on or restriction of lands that used to open for traditional uses.

“There is a tradition of conservation rooted in the hunting culture and local farms. I am concerned about where that is heading. Hunting camps have mainly older guys. There needs to be a shared, intergenerational sense of values. This butts up against preservationist visions and increasing suburban values.”

– Rutland

“A road that I drive on used to be hunting camps, and now it is full of homes with fortified gates.”

– Bennington

Several Vermonters talked about the threat that the next generation will be disconnected from the environment, as traditional behaviors and uses are replaced by indoor activities such as playing video games, surfing the Internet, and shopping. One respondent said that, “[The] concentration on technology access reduces exposure to nature/outdoor activities and could impact preservation of the environment and maintaining Vermont quality of life.” Another worried that, “There is nobody to hand off traditional cultural knowledge to. There is tension around use of the land.” Some related it to the phenomenon described in the book *Last Child in the Woods*, and worry that the next generation of Vermonters will lack both the free access to nature and the habit of exploring the natural environment that previous generations have grown up with.

The Health of Vermont’s Environment

Vermonters value the cleanliness and health of the environment in which they live. They point to the clean air, clear waters, and abundant forests as indicators that Vermont’s environment is well cared for. This belief is generally supported by research and trends.

Many measures serve as indicators of the high quality of the environment in Vermont. The state ranks among the highest in the country for the quality of its drinking water, and among the lowest for toxic waste sites, air pollution, and other problems. Some national rankings, such as those of *Forbes* magazine, even suggest that Vermont’s strong environmental health makes it the *greenest* state in the nation.

Recent statewide polls show that Vermonters are committed to protecting the environment, reflecting the fact that the green reputation of the state is of continuing importance in the minds of residents. As one resident put it, “Vermont has a bit of a national image, as liberal, outdoorsy, and environmental.” This pride in being green is also apparent in how Vermonters talk about themselves. Many forum participants described citizens of this state using the words, *environmentally conscious*, *aware*, *concerned*, *proactive*, and characterized them as engaged in and dedicated to the good health of natural resources.

Yet there are many threats to Vermont’s

environmental health. As the St. Michael’s College researchers describe in *Vermont in Transition*, “the state still struggles to find better ways to deal with sewage, manure, and compost as well as increasing volumes of non-organic solid waste – some benign, some toxic.” In general, air quality in Vermont has improved slightly over recent decades, Vermont forests are growing, and populations of certain wildlife (deer, moose, fisher, turkey, osprey, peregrine falcon, for example) have increased. But other major trends including acid precipitation, mercury in rivers and

lakes and phosphorous run off have either remained stable despite efforts to reduce them, or have increased over time.

Vermonters recognize this challenge. Although the state may have been a leader in the past, many negative environmental trends confront Vermont today. One respondent in Barre told the Council on the Future of Vermont that, “Vermont lost its edge on environment – we need a vision to bring us back. We are innovators but we’re not taking advantage of it.” Another insisted that, “While our conservation efforts have been good over the past twenty-five years, we can do better.”

The health of any environment is difficult to measure, and not all the negative impacts facing the state’s ecosystem are from inside the state or subject to its control. All human uses of Vermont’s landscape – whether for agriculture, silviculture, mining, quarrying, recreation, or for transportation, residential, commercial, or industrial development – will have different and often negative residual effects on the cleanliness of the waters, soils, and air. Activities outside of Vermont also have an impact. For example, acid precipitation from

“I think we all share a love of this land, these rolling mountains and valleys of Vermont, and we all want to see it stay relatively the same.”



Midwestern industry and power plants affects forest health, and pollution in Lake Champlain is caused by activity in Canada and New York as well as Vermont. The long reach of watersheds, wildlife habitats, winds, and weather all connect Vermont's environment with ecological issues of regional, national, and global scale.

In public forums, Vermonters reported most concern about threats directly connected to changes to the visual landscape: urban sprawl, extensive clear-cutting of forests, and changes in the management of the environment. Most Vermonters also worry about the health of Lake Champlain and the impact of personal behavior on climate change. They recognize that pollution endangers the state's natural resources and quality of life. Most who testified about the environment expressed a feeling of personal responsibility to contribute to a strong and healthy environment.

"Lake Champlain is so representative of ecological health and it is really hurting. [The] contradiction is that farms are lead contributors to lake pollution but they are the ones we want and need to save for the health of Vermont."

– *St. Albans*

"Pollution: The lakes and rivers are a huge issue for all of us. That's not getting better, it's going to be much worse."

– *St. Albans*

Climate Change

At Council forums from Newport to Bennington, Vermonters shared a variety of perspectives on global climate change and how it presents a distinct threat to Vermont's environment. They discussed the potential results of changing world climate, and expressed concern about how it could affect the state's flora and fauna, as well as the human population and the natural resources humans use everyday. The difficulty in describing these concerns is that the predicted effects of global climate change on any specific area can be vastly different; this was reflected in much of the concern we heard from Vermonters.

"Climate change will affect life as we know it. We need to listen to what we need to do now."

– *Burlington*

"What will happen to the next generation, and our industries, when climate change hits? Especially the ski industry – it's a big deal for this valley and we'd like to know the impacts."

– *Waitsfield*

"Climate change and resource depletion [are challenges]. May affect foliage, ski industry – if not in our lifetime, in our children's."

– *Burlington*

"Climate change and the effect it will have on the economy and our way of life is a concern. This could be an opportunity in a developing 'green' marketplace. Vermont values and resources could place the state well in developing a green economy and could be tied to our identity."

– *Rutland*

"Vermont is on the southern edge of the circumpolar north, ecologically and socio-economically. As the climate changes, this will bring challenges."

– *Craftsbury*

Public opinion ranges widely about the role that climate change will play in Vermont's future environment. Catastrophists worry about what the flooding of coastal areas nationally and globally and the desertification of the Southwest and even Midwest could mean for Vermont. Some fear that fleeing populations could come here to settle and strain the environmental capacity of the state. On the other hand, some disparage the reality of the issue or consider it part of a natural, not man-made, cycle. One respondent in Burlington told the Council, "I think it may be caused by humans or it may be natural, but we're worried too much about trying to stop it – it's coming and there's nothing we can do." And another in Montpelier opined, "People are on the crest of the wave of the topic of global warming. The conversation is just fashionable, not substantive."

Some indicators of changing climate are temperature, precipitation, and days in which additional cooling or heating are required. St. Michael's Vermont in Transition shows us that, "average temperature in Vermont has increased over the past century, with much of the increase occurring during the most recent 50 years." One measure of changing weather and climate is heating-degree or cooling-degree day units. These measurements give an indication of how often someone would have to keep the heat on or use air conditioning in the home. The trend in the Burlington

area is that heating degree-days have decreased since 1950, while cooling degree-days have increased in the same period. Snowfall and average total precipitation in this state have increased over the past century, as have annual variations.

The concern heard from most Vermonters is not whether these changes are taking place, but on how they might affect the state and what the people living here can do about them. Industries dependant on consistent types of weather – such as tourism and recreation as well as the hallmark agriculture, skiing, and maple syrup industries – have the potential to be most affected. Throughout the CFV process, Vermonters said they would like to see people in the state contributing personally to reducing carbon emissions, as well as the state itself taking a role as a leader and national model in order to slow or reverse climate change.

While some Vermonters argue that the state is so small that its efforts cannot significantly affect the process of global climate change, the majority of Vermonters express a strong sense of personal responsibility for the contributions made by personal consumption. They often believe, like this Poultney resident, that “Vermont needs to set an example in addressing climate change.”



Priorities

A young person in Montpelier speculated that, “I think we all share a love of this land, these rolling mountains and valleys of Vermont, and we all want to see it stay relatively the same.”

When it comes to the natural environment, Vermonters recognize that something exists here that does not exist in other places. They are not shy in expressing their love for the special place where they live. As expressed in the state song, this connection to the land is an identifying element for Vermonters. As a shared and finite resource, however, the health of Vermont’s environment suffers from the unintended effects of human activities both in state and out of state.

Asked about general priorities for the future, participants in the forums described a path forward that emphasizes preservation of the state and its natural resources. For many reasons – be it the enjoyment of outdoor recreation, the peace of the wild, or the pleasure of a nice view – Vermonters like the landscape as it is today and want to protect it. Significant change

in the environment, whether in the working landscape or the undeveloped lands and waters, likely would do serious damage to what many feel to be the prime reason they choose to live here.

At the same time, Vermonters recognize that there are competing activities that take place on the land, as well as competing uses for any given natural resource. For example, the aesthetic value of rolling, forested hills, the market value of timber, and the community value of good-paying local jobs are often seen to be in conflict when residents discuss and manage Vermont’s land. Vermonters overwhelmingly say they support agriculture, yet a decreasing number of them are actually involved in it as a livelihood. That said, most Vermonters want to see a future where current natural resources are both protected and used, where the state takes advantage of its positive natural assets without over-exploiting, over-extracting, or over-developing them.

The Council heard from leading economists who see the environment in Vermont as an economic driver, an asset that brings people and jobs into the state because of the quality of life and amenities it provides. Vermonters agree that the environment is a strength, but they also caution that natural beauty alone does not provide for long-term economic stability. They want to see a balance between the uses and activities that we have on the lands and waters (from conservation to development, snowmobiling to bicycling). They want to see an economic future that supports and upholds the Vermont environmental commitment.

Many Vermonters would like to see this state step up its focus on the environment – to be once again a visionary leader. Respondents cited the history of Vermont’s leadership in environmental protection, from the development of bottle redemption laws and billboard ban to the landmark land use and planning laws enacted a few decades ago. They believe that the state should continue to push creative environmental solutions that keep Vermont special and serve as a model for others. The focus for this era on Vermont’s environmental leadership is not on environmental regulation and protection alone, but on intentionally building a dynamic and innovative green economy that depends on, grows from, and enhances the environment and Vermont’s green reputation to bring prosperity and vitality to the state’s residents and communities.



Working Landscape: Agriculture and Forestry



When most people talk about the “working landscape” they are referring to the land actively used in productive agriculture and forestry. Yet, to many Vermonters the working landscape also means additional public values including aesthetics, contributions to the tourism economy, and its central role in building a common sense of place and the Vermont quality of life. These values are all hard to quantify, but vital to the personal identity of Vermonters.

The Council on the Future of Vermont tested a number of value statements through phone and on-line polling. The highest ranked value in both polls was the statement, “I value the working landscape and its heritage.” More than 97 percent of Vermonters in the phone poll and almost 93 percent in the on-line survey agreed with this statement. At forums throughout the state, both natives and newcomers claimed that they value the landscape and said they want to maintain the rural character of the state.

When the Council refers to the working landscape, it includes agriculture and the working forest – not just farms, but also value-added production, the growing of raw materials, and their processing and manufacture. The tremendous range of farm, forest, and value-added

enterprises in Vermont is a significant factor in the state’s economy. The Vermont landscape is a product of the state’s history; it exists as the result of the innumerable personal and economic decisions of the landowners, farmers, and entrepreneurs who have lived and worked upon it.

Open land in Vermont has scenic value for Vermont residents and is a foundation of the tourism and recreation economy. The landscape provides a distinctive mix of fields, farms, forest, and waters that Vermonters cherish; and the heritage of multiple use, and traditional openness to uses for walking, hunting, fishing, skiing, and other outdoor activities in many ways epitomizes the neighborliness that Vermonters claim is also a core value in the state.

Traditionally, Vermonters imagine the working landscape as agricultural lands, primarily open lands used for dairy farming bordered with woodlands used for building material, fuel, and maple sugaring. Vermonters today do not think of windmills, quarries, gravel pits, surface mining, and like enterprises as part of the working landscape. This may be problematic as Vermonters look to the future of the natural resource economy as part of an effort to expand in-state economic development. Like composting and energy



development on farms, future technologies and economic opportunities may provoke new compromises and even a twenty-first-century redefinition of the working landscape.

Agriculture

There is great diversity in the shape of agriculture in Vermont today. Dairy and non-dairy, large and small-scale commodity production for export, diverse horticulture and husbandry for local consumption, specialty crops, organic farms, and a full range of entrepreneurial activity make up this dynamic economic sector.

Challenges

Vermonters cite many historic and recent threats to agriculture in the state. The loss of farms, rising costs, the volatility of the market, and the competition from agriculture in the West and Mid-West all challenge agriculture's economic success. But there are other challenges that are particularly pertinent to Vermont: the feeling that farmers have of being unsupported by the public, the changing nature of the labor force, rising land prices, the loss of the critical mass of farms to support infrastructure in some areas, and the loss of a vital agricultural identity in others.

• Loss of Farms

Many Vermont counties have been particularly hard hit by the loss of farms. All over the state, residents tell stories of how many farms there were historically and how few are now left. In Brighton, a participant said, "We used to have farms and now there's only one working farm in town – there used to be orchards, cows, sheep, chickens – people don't have time to stop and do that." From all forums, it was clear that those who do farm often can't support their operations from farming income alone; that many farm families have to work off the farm to support it.

Dairy farming has been an iconic part of the Vermont landscape for over a century, yet over time the state has seen a decline in the number of dairy farms and the number of people actively working the land. In 1947 over 11,000 dairies blanketed the fields and hills. That figure dropped to 2,370 in 1990, and by 2007 only 1,097 survive, over 200 of them having converted to organic production. While herd sizes have increased from a 1974 average of 49 to 120 in 2007, and milk production per cow has increased dramatically, neither has proceeded at the pace of large dairies elsewhere in the country where increased scale, lower costs of sheltering livestock, and easier, less expensive access to feeds have led to lower costs of production than in Vermont. Many Vermonters, including farmers, believe that the future will be either for those dairies that mirror the growth and efficiency of such large farms or for those that find small-scale or specialty niches. They fear that Vermont could lose the middle-sized farm. Even now, the top 1.2 percent of farms in Vermont produce 28 percent of total farm income. Organic operations, which tend to be smaller, receive higher prices for their output, but sustain higher costs of operation. The dairy industry as a whole is subject to a complex federal pricing structure, which has produced wild volatility in prices that has tested the limits of all operations and driven many out of business. In 2008 and 2009, high energy costs and declining milk checks underscore the fact that dairies in Vermont face all the ups and downs of a commodity marketplace that is largely out of their control. Still, as one Alburgh farmer put it, "I'm not dead yet, don't write my eulogy."

Dairy farm families who provide food for commodity exports throughout the New England milk shed say that they sometimes feel unappreciated even though their sales of milk, meat, and hay add up to almost 85 percent of farm income in Vermont. They serve as anchors to an agriculture infrastructure that includes slaughterhouses and veterinarians, feed and tractor dealers, farm suppliers and agricultural networks

that support the diversity of farm operations. One participant said, “If you lose the dairy infrastructure you lose all the infrastructure that provides the grounds for the working landscape.” Most dairy farmers understand the opportunity and support the goal for the diversification of agriculture in Vermont, but they don’t want Vermonters or the State of Vermont to forget about them and their role while focusing on supporting new enterprises.

While the number of dairy farms has declined dramatically, Vermont has seen an increase in the number of small non-dairy farms, which have grown by more than 800 since the mid-1980s. Altogether there are over 6,500 active farms in the state as measured by the United States Department of Agriculture (USDA), which defines a farm as a unit that produces more than \$1,000 in output a year. Many are very small, part-time operations. In 2002, 41 percent of the farms in Vermont had an income of less than \$2,500 and only just over half of farm operations provided the principal employment of the farmer. Vermont lacks the marketing infrastructure to fuel the growth of some of these diversified enterprises. They need more facilities such as slaughterhouses, marketing and distribution hubs, cheese production and storage facilities, marketing cooperatives, and food processing and incubation centers. Many believe that expanding market infrastructure could boost sales and provide new opportunities for new agricultural ventures to start up and grow.

• Farm Costs and Aging Demographics

While the number of farm enterprises, experiments, and small operations is growing, the number of family farms with an income that can sustain the family without additional revenue has steadily declined over time. One Franklin County resident pointed to the contradiction in having so many small farms with such a minimal income. He saw the need for farms to grow to an appropriate scale: “Otherwise there’s not livable wage or family income and the next generation will have to give up on farming in Vermont.”

All across the agricultural spectrum, farmers are getting older. The average age of the primary operator of Vermont farms, now in the mid-fifties, has increased steadily since 1978. Many farmers who spoke with the Council described how a farmer’s work is never done and recognized that the lifestyle that they lead may not be what their children or grandchildren would like to take on. A forum participant explained: “Let’s face it; farming is a lot of work! I told my daughters I don’t want them to take over the family dairy farm we’ve

built... I want them to get an education, a great job, and not have to get up at 3:30 AM and work fourteen hours a day.” Young people who do want to take over farms in Vermont face serious obstacles in finding and being able to afford suitable land that is still in active cultivation.

Vermont farmers also have challenges in finding labor. One farmer described his difficulty in getting the work done. He has had to rely on imported labor and pointed out that the mobility of Vermont youth and their desire for education and opportunities impel them to leave the most rural communities and the farms for other lifestyles. A Franklin County farmer described how his people had come down from Canada and started out as farm laborers, sending money home just as immigrant farm laborers do now. In his view, the essential difference is that many of today’s immigrants are here illegally and Vermonters have not given them a way to integrate successfully into communities, an issue he believes needs to be resolved.

• Global Climate Trends

The majority of the world’s scientific community agrees that global climate change is real and having direct effects today. Some Vermonters and some farm experts and climatologists believe that global climate change will have a dramatic and potentially devastating effect on lands in the American West and Middle West. Global warming could expand desertification in the West. Places where there are now massive dairy operations could lose water rights, or see depleted aquifers; over time the aridity of the west could expand into the center of the country. Many scientists believe that while Vermont’s climate will moderate, it will remain a wet place. While over time Vermont could lose its iconic maple trees as forest succession changes, agriculture here should be able to adapt and could expand to meet opportunities to contribute to regional or national food needs. While Vermonters are clearly not in full agreement about the potential changes that might occur to the climate, they want the state to work consistently to help agriculture compete with other regions and realize its best opportunities.

• Farming Methods and the Public

Vermont agriculture includes many different methods of farming, each with its own challenges and opportunities. Increasingly, cows in Vermont live permanently indoors, especially in the state’s largest farms. Other dairies practice rotational grazing and grow hay, corn, and diversified feeds. Vermont celebrates its rapidly growing organic sector, which

includes dairy – goat, sheep, and cows – vegetables, and an increasing variety of specialty livestock and crops. The majority of Vermont farms are diversified in one way or another, incorporating maple sugar operations, beef cows, vegetables, poultry or sheep, logging, and other activities to provide supplemental farm incomes.

Different models of agriculture sometimes conflict with each other and create tensions within and outside the agricultural community. Many Vermonters express concern about the agricultural industry's promotion of synthetic hormones, chemical fertilizers, herbicides, pesticides, and genetically modified corn and other grains. Organic farmers worry about the effects on their crops of genetically modified organisms from neighboring farms. Small family farms are sometimes frustrated by regulatory oversight designed to deal with large farm issues. The needs of different sectors sometimes compete for limited public resources.

A number of farmers testified to the Council that they think that most Vermonters have forgotten what it takes to run a farm well. To many farmers, it seems that Vermonters cherish the ideal of the farm and working forest, but protest the working practices that farmers and forest managers deem essential to their economic survival.

Some farmers, especially those with larger dairies, feel that the state has grown away from them – that regulations have made business viability an enormous challenge, and that preserving the landscape at all costs has overbalanced the historic use of lands. A farmer in the Champlain Islands expressed it by saying, “We don't feel that Vermont is always for us.” Dairy farmers described how neighbors complain about manure spread on their fields or a slow-moving tractor on the road. They say they are trying to do the right thing but face new neighbors who don't understand the nature of farming and, over time, can set conditions that undermine their operations. One respondent told the Council on the Future of Vermont that the “Northeast Kingdom has agricultural ‘stink’ and it affects the second-home market and tourism.” Another said “There's a major prejudice against large dairy in the state. But really, we need to recognize the interrelatedness of farm diversity.”

There is increasing pressure on farmers to control nutrient runoff from farms, and this has become a key issue with respect to the storage of manure and the way it is spread, especially on larger farms. The growth of herds can produce nutrients beyond the absorptive capacity of the land mass of a farm. Ironically, it is sometimes the attempt to manage farm

waste in environmentally sensitive ways that impinges on the sensibilities of neighbors. Efforts to contain and aggregate manure in lagoons and spread it efficiently at times of the year that will minimize run offs can significantly increase the olfactory impact of dairy operations. The next wave in the solution may be in the development of methane digesters producing electricity, but existing models are only applicable at the larger farm scale.

Regardless of the size of their operations, farmers can feel over-regulated. Small farms, organic farms, and local diversified agricultural enterprises often feel that they are subject to “one size fits all” regulation that is not designed for their scale. They call for consistent standards but different levels of expectations for facilities of different sizes.

If family farms continue to disappear, one Vermonter claimed, part of Vermont's identity will disappear. What would this mean for Vermont – what would the state look like? Another noted all the old barns in decay and pointed to what she saw as the near poverty of many working farm families. She described how in the town of Wells the number of active working farms has gone from thirty-five to three in her lifetime, and she characterized this as a fundamental tragedy for the state that undermines both our values and rural heritage. “I do love Vermont, but I love the way it was.”

Opportunities

• Regional Market Expansion

In Barre, a forum attendee told the Council, “I came from Boston. Boston needs to be fed.” Vermont consumes only 5 percent of the fluid milk it produces, but it plays a central role as the largest producer in the New England milk shed. Dairy farms keep the land open in a way that horticulture and vegetable production do not. Experts say that the state's ecology makes it extraordinarily well-suited for growing grasses – hence the long history of ruminant agriculture. A number of forum participants expressed the belief that Vermont's geography, climate, soil, and ecology present great opportunities for Vermont to expand farm production for local consumption, commodity production in dairy for regional markets, and the development of value-added enterprises.

Many Vermonters claim that state support for agriculture is not commensurate with its importance to the people of Vermont and to the future of the state. They call for strategic investment in agricultural infrastructure, incentives to award positive developments, support for diversifying operations,



and increased help for the marketing and distribution of products. They believe that farms and food production could be a growth sector in the state's economy spurring new job creation and benefiting the state both through import substitution, which cycles dollars locally rather than exporting them, and the expansion of the export economy.

• The Vermont Brand

Much of Vermont's identity – its brand – is based on the state's rural or farm image, its low population, and the public perception that it is "clean and green." One forum participant called Vermont "a calm oasis of farms" surrounded by 60 million people. With this potential market, "the branding of Vermont could be the saving of it." A college student in Poultney put it even more succinctly while describing the tourism economy: "Vermont is a countryside dotted with dairy farms... people come to Vermont to see cows." One person claimed that for him the Vermont landscape was the "fulfillment of the sentimental values of childhood."

To some, the brand is intimately connected to the natural scale that the landscape lends to farm operations: "The weather is the same in other places; the syrup is the same; but part of the brand is the farm and the green hills." This ruralness is at the core of the Vermont identity. And the identity is inextricably tied to the special place agriculture has for Vermonters. At many forums, the Council was told that the state should use the Vermont brand identity to advance an economy that fits with the values and landscape of the state. The Council heard repeatedly that Vermonters want to hold on to what makes Vermont distinctive, and for most, that means agriculture and the working forest.

But, of course, farming is also a business and needs to be profitable to continue. Most Vermonters recognize that a state the size of Vermont can't compete in the production of low-cost commodities in the global marketplace. Commodity agriculture does have a place in dairy farming and its many products, and in energy

products; but everywhere the Council went, people insisted that they want to advance both direct sales and capture the highest added value possible to keep production, jobs, and dollars circulating in state rather than export raw commodities.

Many who worry about the Vermont brand worry about the reality behind it – how crucial it is to the success of the brand to protect the working landscape, to make it real by supporting the economy that sustains it, and to provide antidotes to the threats of losing it. The farm and forest economy is in many ways Vermont's best tool to prevent the loss of the land.

• Buy Local, Local Foods Systems and Food Security

Vermonters believe that there are many exciting opportunities for entrepreneurs to expand the processing of the raw products of the working landscape to keep the value-added dollars in state. New markets can be developed globally through the web; artisan cheeses, ice creams, maple products, wines, meats, and a variety of innovative products provide optimism about the opportunities ahead and may give local farmers a special place in wider markets

The USDA estimated that in 1982, \$3.8 million of farm output was sold directly to consumers in Vermont. This number had reached \$9.6 million or 4 percent of Vermont agricultural sales in 2002. Many Vermont farmers are focusing on direct sales to Vermont consumers; one sign of this is the growth in farmers' markets in the past twenty years. When products are grown and consumed locally, farms can emphasize the uniqueness of their community connections and the freshness of their products. Vermont farms are making connections to local schools, hospitals, and other large organizations; they are finding in-state markets that can help increase and promote direct farm sales.

In Middlebury a newcomer to Vermont from the Middle West claimed that, "What's different about Vermont is that we stick up for our own locally grown

and produced things.” Wherever the Council went, forum participants spoke passionately of how much they care about local purchasing and how they believe that Vermonters are more connected to where their food comes from than many people in other places. The state has an active “Local First” association of businesses and shares an ethic about supporting local agriculture and downtown businesses. Other groups, from localvore chapters, farmers’ markets, and municipal farm committees to regional farming networks such as the Rutland Area Farm and Food Link (RAFFL), provide mutual support and common market development.

Many Vermonters today are concerned with energy and food independence and see them as inextricably connected to each other. There is land available for energy production and for the expansion of farm operations. New and expanded agricultural products and methods – biofuels, farm methane, greenhouses heated with local and renewable heating systems – all provide a basis for optimism that farmers will be leaders in developing power sources and adopting efficiencies that can advance their prosperity while reducing their own and society’s impact on the environment. Many forum participants suggested that local production and consumption of agricultural goods could break the negative energy cycle in the international agriculture market. They see the growth of the local food movement in Vermont as central to the state’s future success.

• **Consumerism and Costs**

Some Vermonters claim that on the whole, people who live here are not as susceptible to the consumer mentality as other Americans – Vermonters are willing to buy less and pay more for local and sustainably-produced goods to support the economic multipliers and community benefits. With all the concern in the early twenty-first century about the future of the energy, and especially the petroleum-based economy, many Vermonters believe that food will become more expensive and that this will tip the balance to support local agriculture. Others worry that locally-produced foods are more expensive, putting them out of the reach of working people and those of modest means. Everyone recognizes this challenge and many groups are working to address it. Active volunteer groups and farm entrepreneurs throughout Vermont are working to expand “local food systems” that map out local needs, where food comes from, what can be produced locally, and what infrastructure will be needed to expand local market independence and sustainability. A Burlington

resident claimed that his city and Vermont are thirty years ahead of the nation in thinking about local food systems. To him, the culture of backyard sugarmaking, community or household gardening, and history of small farms provides optimism that Vermont can adapt and even thrive in the face of what he sees as tremendous challenges ahead.

Some of those who see this need for the transformation of Vermont agriculture believe that it is inextricably connected to the life-style changes that will be needed to prepare for and succeed in the future. In their view people will need to live closer to the land and produce less waste. They believe that the goals of self-sufficiency in energy and agriculture are key to Vermont’s future opportunities and that Vermont’s small scale and local assets can help Vermont be a model of sustainable development for other regions and states.

There is a continuum of perspectives on the challenges before Vermont, the nation, and the world that ranges from those who believe that we are currently in a short term recession that the market will correct over time to those who hold that peak oil, unsustainable patterns of consumption, global population growth, and global climate change will force revolutionary changes in the next generation. Some even believe that these changes may be catastrophic: ending business as we know it, undermining global transportation of cheap goods and foods, requiring many more local farm operations, and renewing direct relationships to the land by many more of us. One participant spoke for many when she said, “My greatest fear is that we won’t be able to take care of ourselves.”

The Challenge of Unity

Even though agriculture is held in high esteem in the state, its diversity means Vermont has many competing models and visions for its future. Within the agricultural economy there are divisions, where factions don’t recognize that they have common interests, don’t work together, and become at odds politically. When this occurs, there can be missed opportunities for common action to boost marketing, development, and the bottom line success of all farm enterprises. The Council heard from both large scale commercial farmers and small scale growers that they feel that the Agency of Agriculture, state policies, and state leaders favor one group or the other.

As they consider the future for Vermont agriculture, some farmers and observers believe that Vermont should aim to expand local production for local consumption to address the issues of globalism,

climate change, and peak oil. They criticize large dairy operations as unsustainable. Others note that efficiencies of scale help lower the costs of production to allow the continuation and profitability of larger farm operations, especially dairies, thereby keeping land open and productive. Different constituencies sometimes attribute different meanings to the words “sustainable” and “viable”; but overall, most Vermonters want to see the economic success of agriculture, and want to see it as a keystone of Vermont’s reputation as a sustainable green economy state. Most Vermonters express the desire to support agriculture in general and hope for a vital and prosperous future for farms in all their diversity.

Vermont’s Forests and Wood Products

Vermonters love the woods: “the whole image of Vermont is tied up in the forest.”

Most Vermonters know the history of land use in the state enough to know that at the beginning of the twentieth century the state was mostly open land with only about one quarter of its acres in forest. Today these proportions are reversed and Vermont ranks third in the nation in the proportion of forested land. Nearly three quarters of Vermont’s six million acres are forested and could be considered commercially viable. Forested acreage has continued to grow at a rate of 2 percent a year since 1983. At the same time, the size of trees and overall biomass of the forest has been increasing well beyond the replacement rate. The Department of Forests, Parks, and Recreation has stated that Vermont could sustainably harvest 1.3 million green tons annually of forest biomass beyond current cutting levels.

In 1997 harvests went to five main areas: fuel wood, 16 percent; saw logs, 30 percent; veneer logs, 1 percent; pulp, 25 percent; and logging residues, 28 percent. Forest managers naturally seek the highest value use for what they cut, and the removal of trees for one purpose can enhance the development of future forest products. Cutting pulp and fuel wood, for example, thins out forests and removes less desirable species, contributing to future harvests of more valuable saw logs. With the precipitous decline in the production of paper in Vermont and its downturn in New England, there has been a collapse of the pulp economy in

Vermont. This undermines the multiple incomes that are needed for the viability of many forest-based operations.

Challenges to Working Forests

While the size and health of the forests have increased over time, forestry as an economic sector has not. Forestry faces many of the same challenges that agriculture does, such as heightened international competition, high energy and insurance costs, labor shortages, and finding markets for the specialized products manufactured by Vermont’s relatively small-scale producers.

The changing proportions of forest to open field reflect changes in Vermont’s economy. As farms have disappeared, many fields that were once open have gone back to forest. The expansion of the forest thus reflects the failure of past rural economies that kept the landscape much more open; in particular the fall of the nineteenth-century sheep economy, recent loss of dairy farms, and more recent mechanization of

agriculture with its greatly enhanced labor productivity. Much of that land has not become what might be called “working forest.” Historical patterns of ownership, especially the expansion of rural scattered-site housing, have resulted in much of the land being held in smaller and fragmented pieces and not managed for optimum production. Therefore, while the area of land covered with trees has grown significantly, the area of “working landscape” has contracted and the economy behind it has suffered. At an industry forum, a leader in the forest products sector challenged commonly held beliefs that Vermont has a thriving forest economy. Such misapprehension, he believed, has undermined the viability of the industry that has stewarded the forest for generations. “As long as Vermonters think we have a working landscape, we aren’t going to have enough fire in the belly to make a real economy or save Vermont.”

It is important to remember that in Vermont, most of the forest is private property. Even after the sales of the Champion Lands in the Northeast Kingdom in the 1990s, which added significantly to public ownership, only about 19 percent of the forest in Vermont is state or federal land. Private ownership and public interest have been in conflict from time to time, and many who live near forests or who work within the forest products

“As long as Vermonters think we have a working landscape, we aren’t going to have enough fire in the belly to make a real economy or save Vermont.”



industry claim they want to keep public purchase at a minimum. Environmental groups are often on the other end of the argument, advocating for and working to expand state and federal forests, designated wilderness areas, and conserved lands with easements that, to some in the industry, may be the thin end of the wedge of restricting future forest management.

Even though most decisions around the use of the forest are private, there are so many public values associated with these decisions that there can be considerable conflict around the use and control of the natural resource of the forest – even in privately owned lands.

Vermonters recognize a tension between the working economy of cutting trees and the recreational and scenic aspects of the landscape. One forum participant described a contradiction between the way different people see nature and feared that in the end Vermont could become a nature theme park and Vermonters would lose their capacity to make a living in dynamic balance with the land. Others described the breakdown of larger forests, "parcelization," where land is broken up and sold off, often to people of means who do not need the income from forest management. Many Vermonters fear that the forest will become a park for the rich and fear the incremental removal of forested areas from the productive management that provides jobs in the local economy.

While Vermont has been a leader in conserving land, and the Vermont Land Trust have done impressive and effective work in supporting farm transitions and long-term preservation, Vermonters want more than a conserved landscape. To paraphrase one forum participant, conserving land does not necessarily conserve a way of life, and Vermont should avoid the "gentrification of the landscape." A Brattleboro woman described how her father had sold development rights to the family farm; now "my husband and I could never afford to buy the preserved land," and the preservation easement made it difficult for it to be broken up for several small farm operations. The affordability issue, in this example and for many young people with an interest in farming, can be insurmountable.

Opportunities

The energy economy provides a great opportunity to Vermont's forest products industry. Towns from Richford to Brattleboro are exploring opportunities ranging from downtown combined heat and power projects to locating pelletization plants to meet home heating needs. There has been significant progress in heating schools with wood, and Vermonters have been exploring new utility-scale wood energy generation to add to the capacity of the McNeill plant in Burlington and the Ryegate generating facility. Most Vermonters seem eager to see progress in the use of Vermont forest products for energy production, as long as it can be done in a manner consistent with maintaining the long-term health of the forest.

One forum participant called on us to see the forest as "natural capital," and reminded the Council that "if we use it, we need to renew it," not use it to depletion. For most of the state, the forest is currently in renewal – growth exceeding harvest and mortality – but many worry about the coming demands of the energy economy and warn that Vermont must prepare itself to prevent the export of chipped forests to meet the energy needs of Europe or Asia.

Adding value at home and for use in local communities can replace imports of oil, other fuels, and even electricity and serve as a dynamic engine to Vermont's rural economy.

The working forest provides multiple assets to the state. The forest is the center for outdoor recreation, hiking, fishing, hunting, bird watching, skiing, snowmobiling, ATV travel, and more. Importantly, the forest captures and stores carbon and provides other ecological services, clean air and water, as well as natural habitat for the state's biodiversity. Positive stewardship of the forest is a meaningful state contribution to minimizing global climate change.

Given the economic importance of the forest to the state's economy, and especially to smaller rural communities, there are many residents who believe that the forest economy and those who manage it are undervalued. Forum attendees pointed out that the forest products industry does not enjoy the positive public image that it deserves and that agriculture has, even though these stewards are the 'family farmers' of the forest. They claimed that Vermonters and the state should be providing the same support and encouragement to this sector as it does to agriculture.

"We work so hard to keep our working landscape; in other states they'd have built it up and bring in whatever they want to support the taxes they need."





Common Points

Despite a variety of points of view, Vermonters are united in support of agriculture, forestry, and the working landscape. Much of the testimony in public forums supported better long term planning to preserve the character of working land in Vermont, and affirmed that the sense of continuity and community that is embodied in Vermont's heritage of open, non-posted land is of vital importance to current-day residents. Many Vermonters spoke to the need to capture as much "added value" as possible for each of the state's natural resources and that the state of Vermont needs to invest in infrastructure and tools to support that effort and to optimize opportunities for natural resource enterprises through the marketing of Vermont branded products.

Vermont needs to find balance points and reconciliation between the recreational and aesthetic interests of the public and the diverse needs and ambitions of natural resource businesses. There is a need to compromise and get over the "either/or" character of much of the dialogue within the natural resource economy where sector interests are often seen as competitive or mutually exclusive. Those who grow or celebrate fresh foods for direct market sales can see their interests in dynamic opposition to larger commodity producers and exporters. Vermonters and farmers talk about the distinct gap between the large-scale farms producing commodities for regional and national markets versus small-scale farms producing value-added products for local and niche markets. As one participant expressed it: "Both should realize that they succeed because they balance each other and need each other. This should be part of a common vision."

One forum attendee spoke for many when he said that Vermont has had these divisions: organic/non-organic, dairy/diversified, large dairy/small dairy. He posited that instead of being at odds, Vermonters should act together to support strong agriculture and strong farms into the future. For him and many others who provided testimony at forums, Vermont agriculture exemplifies Vermont's ecological, community and land values; as such, it is the key to the state's future and what can be shared with people outside Vermont.

Vermont also needs to reconcile divisions arising from differing concepts of the goal of sustainability. For some, achieving sustainability requires actions and changes that others believe would seriously compromise the viability of existing agriculture and forestry.

It would be a terrible unplanned consequence if sustainable agriculture in Vermont were to undermine

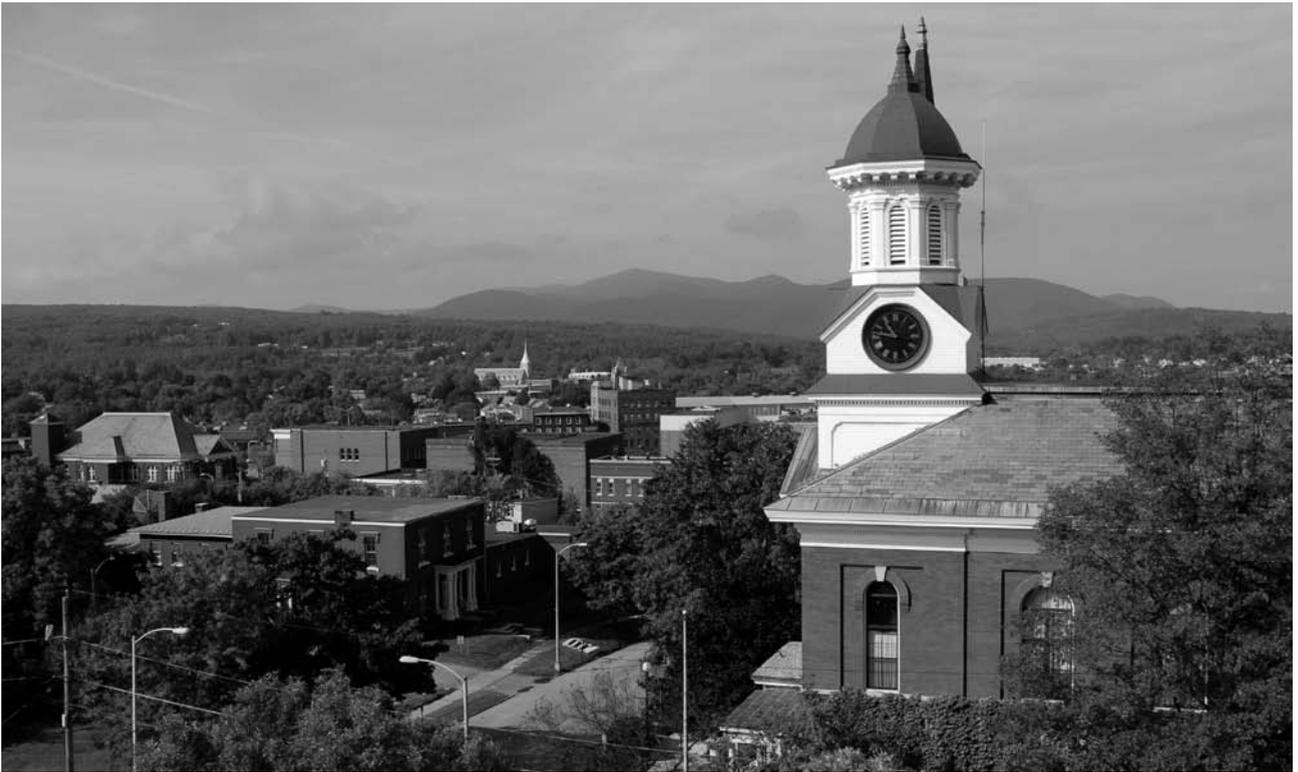
family farm operations, particularly the dairy farms that keep land open, leaving fewer Vermonters in the next generation actually making a household income from the land and less land used in the natural resource economy.

Clearly, counter forces to the working landscape are sprawl, parcelization, fragmentation, dispersed housing, and commercial development. If the return on investment in agricultural and forestry operations is undermined, then alternative land development will take the place of the working landscape.

Everywhere the Council conducted stakeholder sessions, people discussed agriculture and the working landscape together as a core value, a challenge, an opportunity, and a priority for the future of Vermont. They insisted that Vermont needs to bring balance to the challenge of competing uses of the land; that planning needs to follow from long-term value decisions to preserve rural character. They want to see an effort to define the balance point between the working landscape and development, and then guide investment to achieve those results. "We work so hard to keep our working landscape; in other states they'd have built it up and bring in whatever they want to support the taxes they need."

Time and again at Council on the Future of Vermont forums, participants asserted that agriculture and the forest industry are essential to Vermont's character and the working landscape; that they are major drivers of the tourism industry and foundation for many other external values and benefits; and that farmers, entrepreneurs, and workers in this arena deserve respect as stewards of the land and contributors to the Vermont identity that all Vermonters value. Farmers, farm workers, loggers, and forest industry workers often do not feel valued. There is a huge contradiction in Vermonters' professed expression of respect for hard work and for those who work with their hands, and the sense of stigma that workers in Vermont's landscape say they feel. This feeling exists despite polls showing a high degree of support for both agriculture and the working landscape and points to the need to take serious steps, starting with communication of appreciation for the farmers and the people who lead its forest-based enterprises.

Older participants in forums observed that Vermont will see a new generation that needs education to understand the tradition and work of farming and forestry. The story of these industries will need to be taught and pathways provided for those who want to be farmers or forest workers to learn the skills and internalize the sense of stewardship to build viable and responsible enterprises.



Built Environment: Land Use and Development



Vermonters are proud of the character and heritage of the state's downtowns, village centers, historic buildings, and the balance of the working landscape with natural and developed areas. At the same time, while citizens are passionate about preserving the state's beautiful and healthy natural environment, they also call for economic development and job creation. Talking about development and land use can be divisive in this state because while Vermonters share core values in these areas, they differ on the appropriate balance point and the role of the government in defining the balance. Thus, values and daily decisions sometimes support and sometimes conflict with those of neighbors or community members. The resulting tension may be inescapable, as each major decision around land use and development marks a new balance point in both the dialogue and the reality of the state's land use.

Land Use Development History

The conversation about land use and development in Vermont is framed by its scale and history. Vermont's historical development pattern includes compact villages surrounded by open, working landscapes, such as farms and wood lots; a pattern built by the history of local economies and worked lands. This pattern has been articulated and promoted in the goals of Vermont's planning laws and innumerable policy positions, agency rules, regional and municipal plans and zoning. Development takes many forms today: a new business opens its doors in an existing building, a new shopping mall or 'big box' store settles outside of town, a set of condominiums grows near a ski resort, or a low income housing development is built at the edge of town. Each type of development has an impact on the landscape and, it is clear from conversations held around Vermont, an accompanying impact on the residents who care deeply about maintaining their own vision of a working balance of wild, working, and built environments.

Patterns of development reflect population dynamics as well as history. With a few exceptions, in the decades since Vermont became a state, the average annual rate of population growth has been about one-half of one percent. In some decades however, population growth substantially exceeded that norm. In the 1970s Vermont added 15 percent to its population (compared to 11.5 percent for the nation as a whole). From 1980 to 1990 Vermont's population increased around 10 percent, in the 1990s another 8.2 percent and in the six years between 2000 and 2006 Vermont added another 2.5 percent.

In response to some of the changes resulting from growth, the state has passed historic land use regulations that, to this day, provide the guidelines that govern growth. Nearly four decades ago, Governor Deane Davis and the legislature enacted Vermont's State Land Use and Development Bill (Act 250 [1970]) to respond to public concern over the impacts of increasing development, especially poorly planned and badly executed projects that were perceived to have a negative effect on the character of the state. According to Vermont's Agency of Natural Resources, the law provides a "process for reviewing and managing the environmental, social and fiscal consequences of major subdivisions and development in Vermont through the issuance of land use permits."

In 1987, the state of Vermont responded to continuing concern about rapid development by passing the Vermont Housing and Conservation Trust Fund Act, with the following statute:

In the best interests of all of its citizens and in order to improve the quality of life for Vermonters and to maintain for the benefit of future generations the essential characteristics of the Vermont countryside, Vermont should encourage and assist in creating affordable housing and in preserving the state's agricultural land, historic properties, important natural areas and recreational lands.

One year later, and at the recommendation of Governor Madeleine Kunin's Commission on Vermont's Future, the Vermont Housing and Conservation Board (VHCB) received appropriations to begin the work of achieving these dual missions. By combining two of the issues related to development – housing and conservation – the Vermont Housing and Conservation Board has been able to make significant strides in bringing housing and conservation investment together. A member of the VHCB reported that: "One success has been [the] embracing by the conservation community of thinking

about housing. It's a huge mindset jump that's really significant. [The] conservation community becomes a partner, not a competitor on open space. From a housing standpoint it unites us in a dialogue on land-use – we come to agree on projects on the ground in the communities – [it] has built collaboration."

The VHCB works with state government and non-profit partners such as The Vermont Land Trust, Preservation Trust of Vermont, the Vermont Housing Finance Agency, the Nature Conservancy, Housing Vermont, regional housing organizations, and other non-profit partners on these dual missions.

In the late 1980s the Commission on Vermont's Future took a comprehensive look at the state's growth pattern. Its purpose was to "assess the concerns of Vermont citizens on the issue of growth, to establish guidelines for growth and to suggest mechanisms to help plan Vermont's future." In May 1988 the legislature passed the Vermont Growth Management Act (Act 200). Intended to improve the effectiveness and coordination of planning at local, regional, and state levels, Act 200 established a new framework of land use goals while generally echoing the purpose and guiding principles of Act 250. Act 200 also sought broader public participation in the planning process, with the objective of pressing for land use decisions "to be made at the most local level possible commensurate with the impact of the decision."

Balance of Needs

Little of the discussion currently taking place around development throughout the state is new to Vermonters. Participants at public forums wrestled with the perennial issues that were framed and are managed by Act 200 and Act 250. Some Vermonters are adamant that these laws have been responsible for producing what many have called an impossible business development environment in the state, and for the high costs associated with new projects. One forum participant from Lamoille County said "Vermont is much, much too highly regulated," and cited Act 250 as an example. For him, as for other Vermonters, there is an impression that regulations are responsible for "driving business away." At the same time, some business owners told the Council that the quality of life in Vermont, especially the clean and green environment, is an identity that they can use as they market their products. The Vermont landscape and quality of life also are a draw for new businesses – in short, these impressions of the impact of environmental regulation are very hard to measure.

Both Acts 250 and 200 have been subject to recurrent scrutiny but have been sustained over time. Despite the challenges they pose to development, they embody central values Vermonters hold concerning the conservation of the working landscape and the participatory nature of democracy in the state. One Bennington resident expressed the need for balance in a way that echoed hundreds of remarks in CFV sessions, “We need to create affordable housing in a way that doesn’t destroy the landscape.”

Although it has been difficult for Vermont to define the balance point between growth and development, today’s working definition is in the practical application of these two laws and their sometimes painful interaction with industrial, commercial and housing development. A Rutland County resident spoke to the center of the issues that Vermonters wrestle with around development when he stated that, “We need to balance economic, environmental, and social equity needs in our planning.” The public forums conducted by the Council found that Vermonters today are dedicated to this sense of balance between the conflicting issues that play out on the land. A Poultney resident also spoke for many when she said that, “Vermont needs to be business friendly and to find a balance between business development and sprawl.” And a St. Johnsbury resident said that, “It seems like Vermont is caught between a competition of ‘covered bridge’ and ‘factory’ ideals. We are here because we like the image of the covered bridge, but without the factory we don’t survive. There needs to be a balance for Vermont.”

Many forum attendees testified that the physical land is a finite resource. “There needs to be a balance between the working population, second home owners and agricultural land. We have a finite space.”

The Council also heard about how to make land use development conflicts less divisive. Many Vermonters wanted to see the dialogue change from what can’t be done on the land to what *can* be done. The Council found that some Vermonters seem anxious for a chance to plan for certain types of development:

“We need incentives to promote mixed use planning for settlement patterns and preservation of open land.”

– *Waitsfield*

“We need to entice people downtown, via tax policy, incentives, tax-free zones, targeting areas where you want development.”

– *Bellows Falls*

“Small farms are maintained by small towns. We need to maintain incentives for downtown development and limit sprawl.”

– *Poultney*

“Downtown we have lots of old, historic buildings with vacant space on upper floors. It’s cost-prohibitive for potential investors to come in and be able to do renovations and recoup their investment. There has to be more incentives.”

– *St. Albans*

Affordable Housing

Affordable housing was one of the chief concerns in discussions of land use and development and the cost of living expressed in the public forums. Over 83 percent of Vermonters polled by the Council responded that a shortage of affordable housing was a matter of moderate or strong concern to them. Research shows that housing prices rose faster than income from 1999-2006, reducing the ability of Vermonters to purchase a home. In addition, the size of homes in Vermont, and the Northeast as a whole, has increased dramatically in the past decades – another reason for the rising costs of housing. And although Vermont’s rate of inflation in home prices between 1995 and 2007 was less than the average increase in New England of 81 percent, it was still a sharp 62 percent.

Rising costs affect all Vermonters, but especially those who live on fixed incomes: the elderly, those just starting out, such as young professionals and families, and those in poverty. Overall, housing availability and affordability were reported to be problems for many residents. A lack of affordable housing is not unique to this state, but because an exceptionally high proportion of Vermonters own their own homes, it is a major issue here.

Many Vermonters worry that they will be driven from their communities as housing prices and the accompanying property taxes rise because purchases by affluent newcomers to the state have driven up market values of property. “Affordable housing! If you want us to stay here, you can’t build \$400,000 homes! By doing that you eliminate the kids and just bring in the baby boomers who can afford it.” A member of the Manchester Interfaith Council pointed out the problem in the Manchester region, “The poor can’t afford to live here anymore, so we have an influx of new residents who are largely second-home owners... how can we protect the housing stock most importantly for those who need primary housing, not second homes? Especially in face of the prices and land values.”



Although Vermont still rates as one of the places within New England where the “average family” can afford the “average home,” these data can easily mask great differences between income classes and geographic location within the state. For Vermonters, second homes (and second home owners) are a major topic of discussion. In addition to the concern noted above about newcomers and especially part-time residents driving up the cost of housing, many worry that these people do not understand the culture of the community and may not participate in helping to carry forward the work of the town. A Bennington forum attendee noted that “There are more and more part-time residents. In a small community, if 20 percent of the people are not there a good deal of the time, it’s difficult to find people to run the community.” An attendee from Springfield shared the warning that; “Non-residents buy vacation homes in the area but don’t get involved with the community, don’t understand local issues, and take property out of circulation for residents.” This concern was expressed by many Vermonters but it was balanced by recognition that many of these individuals bring skills, talents and resources that could and frequently do make powerful contributions to their new and part-time communities, should they be invited and choose to be involved.

Development Pressures

While some Vermonters look to define a positive balance point between land preservation and development, others think Vermont has already gone too far in one direction or the other. A member of the Poultney Downtown Revitalization Association told the Council on the Future of Vermont that, “Vermont needs to be business friendly and to find a balance between business development and sprawl.” College students at Green Mountain College reported that “Some rural areas of Vermont are becoming built up and Vermont is like a time bomb for becoming a more urban or semi-

urban area.” And in Rutland, at a public forum, “There are huge economic challenges. The State should create an incentive for economic development in the state.”

Where is the balance between the values of the state – expressed time and again in public documents, town plans, and state regulations – and the needs of a diverse and growing economy? For Vermonters, this issue centers on thorny decisions on where and how the state designs, permits, and supports development.

Some regions are under more development pressure than others and want to limit or restrict new commercial or residential development. Other parts of the state are much more eager to attract new residents, housing and economic activity. As the geographic dispersion of development is uneven, so too are the economic benefits and any social or environmental costs. At the Council forum in Brattleboro, speaker after speaker compared the state to a negative perception of New Jersey or elsewhere south and repeated a message heard virtually throughout the state, that people do not want the landscape overrun with the massive suburban and exurban developed areas like those in states to the south.

A business owner in Glover wryly remarked that, “Vermont is protected from being overrun by second homes because of the harsh weather.” Another Northeast Kingdom resident pointed out that, “The Northeast Kingdom has an agricultural stink, which affects the second home market and tourism.” While many Vermonters look to attract new jobs and housing to the state, many others take pride in the kinds of adversity that keep overdevelopment at bay.

The Center for Social Science Research at Saint Michael’s College found a number of major trends about Vermont land use in the past decades. First, the acreage of rural or undeveloped land in the state (especially those typically thought of as ‘working landscapes’ such as cropland and pastureland) is declining. Forested lands are increasing, although unevenly and in smaller parcels. The percentage of developed land has also

been increasing and the rate and extension of land development has *exceeded* population growth in the state. In the past three decades, development planning and formally adopted land use plans have been used by an increasing number of communities throughout the state. There has also been a significant increase in the participation of working lands in the Use Value Appraisal Program popularly known as “Current Use.” Even as land is being developed and enrolled in state programs, other public and private efforts led by VHCB, the Vermont Land Trust and other conservation partners to conserve Vermont lands permanently are increasing significantly. Vermont currently has 1.3 million acres conserved.

Many Vermonters place high value on the rolling rural landscapes, and would like to see protection of the lands, soils, and waters of the state be the first priority. Others recognize the importance of business development and growth within the state; they want to see good paying jobs available so that Vermont families can provide for themselves, and put this priority above the preservation of open lands. Still others see the fragility of the small towns and value the human scale of communities that Vermont has maintained as its neighbors have grown in size. They want any discussion on land development to put the needs of the community first. Unfortunately, the dialogue in the state sometimes devolves to where Vermonters rally and rage against one another, over-generalizing about the mindsets of those who fall into opposing camps.

Wherever they stand on development, Vermonters tend to be passionate about it:

“The biggest challenge to the state today is over-development and people who will kill Vermont if you let them turn it into Connecticut or Massachusetts.”

– *North Hero*

“Vermont isn’t California. Vermont’s common values protect against over-development.”

– *Poultney*

“Those of us who have seen [the development] process and project unfold from outside the state, feel like lifetime Vermonters don’t have the outside life experiences to know what is happening.”

– *Sheffield*

“Non-native residents move to Vermont to get away from cities; while attempting to keep Vermont from changing, some get involved in legislation efforts that end up hampering economic and population growth.”

– *Springfield*

“Older Vermonters and previous generations resist change, new population, and new ideas. We need to change this sentiment.”

– *Newport*

With all the concerns that Vermonters have about development, it’s important not to forget the independent strain of thought expressed by many throughout the state who question the public’s right to tell citizens what to do with their private land. The Center for Rural Studies polls showed that over 15 percent of Vermonters disagree with the statement that, “I believe that private property rights are well respected in Vermont.” Of the twelve value statements tested by the poll, this statement ranked last in public agreement. The poll data add to what the Council has consistently heard about the passionate disagreement around the boundary line between individual liberty based on property rights and the conditions imposed on those properties and rights by a collective definition of public good in statutory or ordinance form.

Economic Development

There are clear, consistent, and cumulative development pressures in Vermont, both from internal and external sources. Commercial and industrial developers are looking for the next best place to locate a business, and homeowners are looking to move into the beautiful, rural landscape, or escape from city life.

Even with their resistance to unplanned or out-of-scale development, Vermonters clearly recognize the needs for business growth and development. The Center for Rural Studies surveys show that, when asked what the most important goal was for the state in the next generation, 64 percent of telephone respondents gave answers related to the economy or affordability, while 48.6 percent of online respondents did so. Many want to see economic growth and identify it as the solution to the challenges the state faces today – especially those related to the increasing costs of living and tax rates. A young inmate at the Caledonia Community Work Camp proposed that “We need more industry in the state. Act 250 needs to allow more business development; we need to get around issues that affect business. It won’t allow them to grow or expand so they leave.” In Montpelier, staff at a non-profit wrestled with the question, “How do you keep economic growth so that you have enough jobs for people?... we need to create enough growth to sustain the jobs we have. There’s lots of focus on the environment and green Vermont, but I see less focus on good jobs for people.”



Open Landscapes

At the same time, Vermonters feel passionately about their open landscapes, and the natural beauty of the state. Many newcomers told the CFV that they decided to move to Vermont for the look of the land and the access to nature. Other said that it's the reason they stay, despite economic hardships. One respondent at Hildene Foundation in Manchester put it most eloquently when she told the Council: "I don't care how broke I am, I want to be here." Survey results show the same sentiment throughout the years: that environmental quality and rural landscapes continue to be important to Vermonters and rank as one of the most frequent shared values.

Recent statewide polls also show that Vermonters themselves are committed to protecting the environment and reflect how the "green" reputation of the state is of continuing importance in the minds of residents. For example, a recent University of Vermont poll found that 97 percent of Vermonters agreed with the statement that "I value the working landscape and its heritage," and the four "Pulse of Vermont" polls of 1990, 1995, 2000, and 2005 sponsored by the Vermont Business Roundtable consistently document that Vermonters are committed to preserving the physical environment.

– *Vermont in Transition*

"There's a common value in Vermont that is a connection to the land and environment," said one forum participant in Windham County; "we're proud of the notion of environment above profit." Many Vermonters affirm that they value quality of life ahead of pure economics. A Rutland forum participant cautions, "Be careful of such a strong focus on development. If we bring in too many people, we will become another Burlington. We need to focus less on having more money and focus more on the things Vermont values. We don't have to be big and wealthy."

Community Scale and Sprawl

One of the most important themes in CFV forums focused on Vermont's human-scale communities. The built environment and rural surroundings of Vermont communities add to the sense of connectedness and Vermonters understand that rapid growth can detract from this intangible value. Vermonters value their villages, towns and communities and want to see them protected. They explained this by talking especially about how to guide development to existing village and town centers, or how to bring business back into communities, rather than placing commerce and industry outside and forcing people to drive to it. They also emphasized historic buildings and the importance of an awareness of history and heritage. Without using the term "smart growth," most forums participants were concerned with ideas like these expressed by a St. Johnsbury forum participant: "We need to offer more incentives for development in traditional village centers, support rail infrastructure, connect more local farm goods to local markets, grab onto existing infrastructure to support these models."

The conversation about the effects of development on communities was also evident in the numerous comments about sprawl like these made by a representative of the Chittenden County Regional Planning Commission: "There has been a pattern of growth away from town centers. We need clustered housing and nearby employment. We need to think about the consumption of open space." This consumption of open space is increasingly evident in the out-of-town commercial activity and seems paradoxical when there are vacant lots and empty storefronts in downtowns. Despite Vermonters' expressed desire to limit this growth, many parts of the state have seen and felt the impacts of rapid strip development and their contribution to the commercial and economic stagnation of traditional downtown centers. This growth is supported by Vermonters themselves choosing to shop there.

Polls and public testimony document that Vermonters seem to be generally opposed to the idea of sprawl, whether it is the proliferation of residential houses built outside of communities or the development of commercial strips with large parking lots. Many forum attendees cautioned against the patterns of land development they see in other states, such as New Jersey, Massachusetts or Connecticut. They connect a sprawling development pattern to the loss of that sense of community that Vermonters so value, and see strong economy and strong communities as those supported by compact development, rather than sprawl. One speaker phrased it that, “Controlled planning for community development [is needed] to avoid the danger of uncontrolled growth and sprawl and preserve intimate community.” Another testified that, “Historic cluster development that we see on the land today is great, and sprawling development ultimately undermines the things about community that we like. If we want to preserve something that’s unique, we need to respect historic land use with jobs in the communities here.”

While Vermonters support smart growth goals and express aversion to sprawl, they also make personal decisions to build homes in areas that were forests and fields. Despite the stated goals of Act 200 and many town and regional plans, most new housing in Vermont is single-family homes on separate lots. Urban apartments, town houses or clustered housing have been the exception rather than the rule in housing development. Many forum attendees pointed out that while Vermonters profess positive attitudes toward the preservation of open land or the working landscape, they often choose to vote with their dollars to build and live in the countryside.



Points of Unity: Finding the Balance

Vermonters all across the state told the Council that there are still significant and complicated challenges around defining the balance point around land use and development. The Council heard that empty storefronts in downtowns and village centers represent a loss of community and connectedness and that second floors stand empty because it is easier, quicker, and less expensive to build outside of town than renovate historic buildings. Business development does not happen when there are long and costly permitting processes. The renovation of historic buildings is often expensive, and developers take other routes because of the bottom line. Moreover, the current economic recession affecting the nation

as well as the state complicates the decisions about how to spend limited resources. Ultimately, businesses responding to their own rapid growth may choose to relocate and take their jobs out of local towns, even out of Vermont rather than incur the expense and delay of finding and renovating space in town centers.

Vermonters have wrestled with land use issues for decades, and have devised structures and regulatory measures to work through development projects while attempting to optimize the conservation of the working landscape and the preservation of natural areas. Throughout the recent history of the state, while commercial sprawl and new homes dotting former pastures have continued to spread, Vermont public policy has recognized and invested in maintaining the historic pattern and dynamic balance of natural landscapes, working farms and forests, industrial and commercial areas, and village and town centers.

Vermonters differ on the order of priority among the options of expanding economic opportunity, building housing for Vermonters, and preserving open landscapes or community scale. While these debates continue, it is unfortunate that Vermonters sometimes stereotype each others’ viewpoints, generalize about those with opposing perspectives, and dismiss their ideas, intentions, or motivations.

Most Vermonters seem to agree that the state’s historic development pattern has both enabled small businesses and farms to prosper and fostered community. Many worry that a tendency toward homogenization with the rest of the Northeast and out-of-scale development endanger the character of Vermont communities today. Some Vermonters see a threat in any dramatic change of land use patterns because this sense of community is precious to them. They caution against sprawling development and the loss of interpersonal connectivity and community that can follow. Others express frustration with the intrusion of government into private landowner rights. Many recognize that there are financial and regulatory obstacles to retaining and enhancing historic patterns of growth and change, and to fostering responsible development – obstacles that they would like to see removed.

Overall, Vermonters want to see balance. The ongoing controversy points to the fact that they recognize that land in the state is a finite commodity and they struggle to balance the equal values of the economy, the community, and the environment. Although this dialogue is always passionate and occasionally less than civil, it reflects a dynamic process to achieve balance that is fueled by the great love Vermonters have for the state, the land, and their home communities.



Economy



Even while they recognize Vermont's integration in the regional and global economy, many Vermonters like to emphasize the unique features of Vermont's economy, the Vermont brand, and the special value that the Vermont identity provides. As measured by gross state product, Vermont's \$24.5 billion economy is the smallest of any state in the nation. Though some claim that Vermont's small scale makes the state extremely vulnerable to conditions in the regional and global economy, others see flexibility in that scale that provides the opportunity within the state to try new ways to sustain and enhance economy and build prosperity within the state.

Sectors, Employment and Income

The Vermont economy was historically rooted in agriculture, forest products, industry, milling, cloth production, and mining, but in the relatively recent past it has become much more diverse. In 2007 four sectors accounted for nearly 50 percent of Vermont's Gross State Product: government, real estate, manufacturing and health care. Recreation, tourism and education also make up a significant part of the state's economy.

While average incomes in the state have risen over the last generation and are now very near the national mean, many Vermonters struggle to afford the high cost of housing, health care, energy, transportation, foods, medicine and other necessities, as well as high taxes. Vermont's cost of living ranks as the ninth most expensive nationally, although all the New England states are above the national average.

Vermont's employment growth has slowed in the last few years. During the last three decades, significant changes in the pattern of job creation have compounded to affect the state in a number of ways. The Census Bureau's Burlington/South Burlington Labor Market region, which includes the fringes of Addison and Franklin Counties, accounted for half the jobs created in the state between 1978 and 2006. Manufacturing employment fell from 18.4 percent to 12 percent of the jobs in the state between 1988 and 2006, representing the loss of 10,000 jobs. Meanwhile, health care jobs rose from 8.9 percent to 14.1 percent of the total, and employment at Fletcher Allen Health Care, the second largest private employer in Vermont, grew by 47 percent over the twelve-year period to 5,384 employees in 2008. Government employment is the largest employment sector in Vermont and it grew continuously during this period. Many of the other employment growth sectors in the state's economy over the past 20 years are in occupations and industries that pay lower than average state wages. This is often cited as a significant cause of the affordability gap confronting working Vermonters and their families today.

It is important to note that at the time of this publication, detailed data are not available on the effects the recent economic downturn has had on these and other historic trends. In first few months of 2009, at the time of the writing of these chapters, information from federal, state and other public organizations is not readily available.

Affordability

While household income increased in the state over the last twenty years, Vermont, like other New England states, has remained an expensive state to live in. Affordability was one of the primary concerns most voiced by Vermonters at public sessions. When asked to rank their level of concern on twenty-four challenges facing the state in the Council's telephone poll, 82 percent of respondents named the cost of living as their number one concern. Although the inflation-adjusted average earnings of Vermonters rose gradually over this period, the earnings of some Vermonters did not keep up with inflation, particularly as a result of the rising costs of health care, housing, and education.

In the course of the public forums, participants expressed worries that put the affordability issue in class terms. People throughout the state are concerned about the decline of what they consider the middle class, the growth of a wealthy cohort, and the pressures faced by the urban and rural poor. There is widespread concern that the socio-economic classes are more separated than in the past. Some worry that the state is developing functionally gated communities and poverty enclaves and that this could lead to growing economic divisions within communities and tensions between prosperous and impoverished towns or regions. A person at the Randolph forum claimed that, "Vermont has a vanishing middle class and has become a two-class state: the rich and famous and the poor and forgotten."

The poverty rate is low in Vermont compared to other states (in 2007, only New Hampshire had a lower rate). While the gap between the wealthy and the poor in Vermont has risen steadily, the state has lower

levels of income disparity than the country as a whole. Nonetheless 61,000 Vermonters lived below the federal poverty line in 2007. In that year the wealthiest one-fifth of Vermonters received 47 percent of household income in the state, up from 43 percent in 1980, and the bottom quintile received 4.2 percent, down from 4.7 in 1980. Over the course of the year of forums, it was common to hear that the "rich are getting richer and the poor are getting poorer."

Basic Needs

For many Vermonters, the challenge of affordability is a result of the cumulative pressures from the rising costs of energy, prescription drugs, health care, and housing. To one Franklin County elder, "it's not the cost of living; it's the cost of existing!" Another respondent said, "My husband spends \$125 for one bottle of pills a month. He can't afford eyeglasses." Others described how life for senior citizens on fixed incomes is "a pinch," and that when resources get scarce, they may sacrifice transportation and end up isolated. Managing costs on a limited income is a precarious balance. When one thing goes wrong it becomes very difficult to maintain or regain that balance; even a simple transaction can topple an individual or a family's security and end in homelessness.

For many Vermonters, the challenge of affordability is a result of cumulative pressures from the rising costs of energy, prescription drugs, health care and housing.



Part of the challenge is documented in the rising number of Vermonters who rely on food stamps, need help at local food shelves, or face the crisis of homelessness. One participant described homeless people she knew in southern Vermont who were freezing at night under local bridges; “Is it fair for people to have second homes while others can’t get into homeless shelters because there is no room?” In 2008, over 50,000 Vermonters across the state received food stamps each month – a number that has slowly increased since 2000. Homelessness is very hard to measure as an indicator because many people without homes do not use shelters and therefore cannot be counted. Nonetheless, the number of families in Vermont using shelters increased by 20 percent between 2000 and 2007, and the average stay in a shelter increased as well.

In counties across the state the Council heard from many Vermonters who worry that local people are being priced out of their homes and the next generation is being priced out of town. From 1996 to 2006, housing prices in the state rose faster than household income, making it increasingly difficult to purchase a home. Housing costs in Vermont are above the national average while household income is below the national average; although Vermont in 2005 still ranked as the state in which the median household income could be used to purchase the median house – which was not the case in any other New England state. At the same time it is interesting to note that Vermont ranks very high across the country in terms of home ownership. In the last fifty years, the percent of residents owning their own home has risen from 67 percent to 72 percent.

In talking about these basic needs issues, one Vermonter expressed frustration over national funding priorities: “Billions are going for war in Iraq – think what we could do with a drop of that money!”

Taxes and Wages

One factor consistently cited as a cause of Vermont’s high cost of living is the state’s high taxes. Over 85 percent of responders to the telephone poll reported that they are concerned or very concerned with the tax rate. “Tax, tax, tax!” exclaimed a Dorset resident, stating that Vermont has “a prince’s palate for charity on a pauper’s resources!” Amid the complaints, however, many Vermonters say that they don’t mind paying taxes if they believe that they are getting their money’s worth: “I’m proud to pay taxes because I know it’s going to be shared.”

It might seem obvious that different types of taxes affect individuals, businesses and homeowners differently. On the eastern border of Vermont, the Council heard much more about sales tax burdens because businesses there must compete with New Hampshire businesses, where there is no sales tax. In Vermont there are taxes, fees, and assessments on everything from meals, rooms, alcohol, property, motor vehicles, and beverages to income and transportation. The St. Michael’s research book, *Vermont in Transition*, reviews various methods of measuring tax burdens. While state tax revenues have been rising in constant dollars for the past thirty years, taxes as a percent of per capita income actually shows no clear trend. That said, the per capita burden has been ranked sixth in the nation, 38 percent above the national average. At the same time, the tax structure in Vermont has relatively low taxes for lower-income taxpayers and relatively high rates for high-income individuals, making it one of the most progressively taxed states in the country. In 2007, the Legislative Joint Fiscal Office produced a report (*Vermont Tax Study*) that compared Vermont’s state and local tax system with twelve peer states, similar in economic size and in competition for businesses, and demonstrated that Vermont regularly rates near the middle of that group. New York, Connecticut, Maine, and Massachusetts all have higher per capita state and local taxes, according to the report. Vermont’s business and income taxes, on a per capita basis are the 3rd and 5th lowest amongst the group of twelve peer states.

Vermonters seem most concerned with how Vermont’s economy affects them personally – their monthly expenditures and the costs of living in the state. They also worry about job opportunities and job security for themselves and for their children. Since finding adequate income for daily living is a challenge for many Vermonters, the idea of defining and creating a “livable wage” came up often in public forums. In 2007, research shows that just over 11,000 or 4 percent of Vermonters were being paid at or below minimum wage. Vermont’s minimum wage (currently over \$8 per hour) is above the national standard; but while working at the minimum wage may serve the needs of young people still in their parents’ homes, the rate is far below the livable wage for an individual on his or her own, and can be a recipe for poverty for working families. Others describe how the lack of good jobs paying livable wages means that, “it is no longer possible for people to work their way out of poverty.” Another forum participant described how to survive in low-pay employment: “I work four jobs in Burlington.”



Affordability and Expectation

Although most participants in public forums acknowledged the enormous challenges of affordability confronting individuals, families, and communities, some pointed out that part of the “affordability” dialogue is about perceptions and expectations of what qualifies as a *need*. Some say affordability should be redefined and people should adjust their expectations accordingly. The research conducted by St. Michaels College for the Council cites a Pew Research study on how Americans define “necessities.” For example, in the short period from 1996 to 2006 the percentage of Americans who identified home air conditioning as a necessity rose from 51 percent to 70 percent. Cellular telephones, personal home computers, garages, dishwashing machines, and washers and dryers are all examples of costly consumer goods that have come to be considered necessities in daily life.

Forum participants recognized that there are positive trade-offs to living in a relatively small, northern, rural state away from the nation’s economic hot spots. A Brighton resident made a claim that resonated with participants in several forums that Vermonters choose to live here knowing that they could make more money elsewhere. To many, the quality of life compensates for the lower economic returns, and on balance, Vermont is the place they want to be. One participant noted how the beauty of the state attracts people of means to stay, but described it as a hard trade off for the poor: that people who are struggling to meet basic needs can’t eat the landscape.

What is the answer to the affordability challenge? The response the Council heard most involved creating an economic, educational, and regulatory atmosphere to attract, incubate, and support the dynamic jobs of the future.

Challenges in the Vermont Economy

Here is a list of some of the core challenges consistently expressed by Vermonters and common complaints about the role of the state in addressing them:

- The high cost of doing business in Vermont discourages investment, development, and job creation. In particular, increasing energy costs, healthcare costs, and regulatory complexities and delays make the cost of business startups and expansions here challenging.
- There is a shrinking base of job opportunities for unskilled workers.
- Jobs in Vermont are either entry level or management – it is hard to find jobs that allow an individual to have significant career advancement.
- The Vermont education system does not meet the needs of Vermont businesses.
- The state doesn’t protect or support the larger businesses that the economy relies on. Often those businesses find it easier, more attractive, or more profitable to move out of state than to grow here.
- Vermont lacks of a coherent and long-term economic development strategy that is based on Vermont values, identifies key opportunities, unifies state, private, and non-profit efforts, and invests to get measurable results.
- The state concentrates on attracting large companies from outside Vermont but does less to grow and support indigenous small businesses.
- The state has complex and difficult regulatory requirements that force businesses to move, or to adjust their ideas for development in an unnecessary or unprofitable direction.

Vermont Scale

Throughout the state people celebrate the variety and creativity of Vermont's small businesses and call it a "small business state." Vermonters consistently told the Council that small businesses are the backbone of the state's economy. The reality is that Vermont has a dynamic group of relatively large employers, an expansive matrix of small businesses, and an energetic mix of micro enterprises, each of which plays important roles in the balanced portfolio of enterprises here.

It is interesting to observe that while Vermonters are generally appreciative of small business, there was a lack of an understanding about the positive assets big businesses bring to the state and the role that these businesses play in the economic structure. There sometimes seems to be a prevailing sense among Vermonters that big is bad, and small is good.

According to data collected by the Vermont Economy Newsletter, the largest 100 private firms in the state employed over one-quarter of all workers in 2006 (64,200 people) and paid over one-third of all wages. On the other hand, only nine business establishments in the state have more than 1,000 workers and 78 percent have ten or fewer employees. IBM, the largest private firm in the state and a bellwether for many forecasters, has been shrinking its workforce recently. Its workforce declined from 8,500 in 2000 to 5,400 in 2008, yet it still provides approximately 25 percent of manufacturing jobs in the state. Because of the central role IBM plays in the economy of Chittenden County and surrounding regions of northern Vermont, many worry that the historic trend in the shrinking workforce at IBM in Chittenden County may presage the company's departure at some point in the future.

Opinions vary as to what should be done to try to retain major employers like IBM or the regionally significant Ethan Allen Furniture in the Northeast Kingdom. Some believe that it is essential to the future prosperity of the state that it institute energy, tax, and regulatory policies that will encourage larger businesses to stay and others to locate here. One respondent told the Council: "Investors are making decisions in corporate offices far from Vermont – they are trying to decide whether to invest here, to expand, retract, or close, and we need to compete for their capital." Other Vermonters believe that the state has little or no control over these businesses' decisions about where to locate or grow.

Some think that Vermont public policy should center on stimulating innovation and entrepreneurship to develop new businesses, some of which may grow as centers of economic clusters supporting future

prosperity. A Northeast Kingdom resident claims that, "Small business is the answer. Instead of a golden goose, we need many small geese with many small golden eggs." To this individual, this is not only the route to economic success, but, "from this comes community."

The Vermont Brand

Vermonters recognize that the small scale of the state and the broad national image of Vermont serve the state as a unique brand that can help attract tourists, sell products, draw in new businesses, and attract youth. The brand serves as an icon outside of Vermont, embodying the collective images of the state's best features and values. For some, the Vermont brand is or could be, "Vermont, the Entrepreneurial State", for others it is "Vermont, Clean and Green," "Vermont the Environmental Problem Solver," "Vermont, the Nation's Innovation Center," or "Vermont, the Health Capital of the United States." It is noteworthy how often the Vermont brand comes up in discussions with widely different groups of Vermonters. Each of the brand ideas entails a vision for the future of Vermont's economy that could guide policy and investment – most Vermonters who bring up this kind of concept seem to be calling for a strategic plan and campaign to implement it.

The Council also heard from a vocal minority who dislike the use of a brand for the state. They see it as symptomatic of the "commodification of Vermont." Most Vermonters, though, seem proud of the specialness of Vermont and glad that Vermont products and the state itself have developed some cachet in the marketplace, mostly for associations with characteristics of the state that are commonly cherished.

Vermont Local and Global

As a small northern state, Vermont imports goods and services that would be difficult and expensive to produce here (\$2.1 billion for carbon-based energy in 2007 alone, for example). At the same time, imports may displace the jobs of some working Vermonters, as has been seen in recent years in the granite, furniture, and machine tools industries.

Exports are also a crucial part of the state's economy. In 2007 Vermont businesses exported \$3.43 billion in products to foreign markets – an increase of 21 percent since 2001. Canada is the state's largest trading partner, receiving more than one-third of the state's exports, but Vermont has important and growing trade in other global markets, especially in Asia. By expanding trading markets internationally, as well as to

other part of the United States, Vermonters benefit not only from lower prices and access to a greater range of products, but also through the creation of new jobs, either through producing products or providing services for export, or through direct foreign investment in Vermont companies. In the latter case, foreign-owned companies employed nearly 10,000 workers in 2006, almost one-quarter of whom were in manufacturing.

The wave of global commercial consolidation over the past decade has sharpened the focus of many Vermonters on sustainability within the state's borders. While global consolidation has reduced costs of products and services, it sometimes negatively affects employment, particularly in more rural areas of the state. In many forums people voiced the concern that outside ownership of businesses in the state could threaten existing small businesses and somehow depersonalizes commerce. This has been most evident in the financial services industry, where the number of independent Vermont chartered banks headquartered in the state has declined from thirty banks in 1960 to only six in 2008.

A Burlington resident pointed out that Vermonters export dollars out of state for foods, goods, services, and energy that he believed could be produced in-state with an additional economic benefit of the multiplying impact of the circulation of these funds in the local economy. He reflected what the Council heard from many Vermonters around the state: "Corporate power and big box stores – the standardization of consumption – is putting local stores out of business... we resist better than most of America, but we need to support the survival of small businesses... I don't know if we are strong enough to resist."

Those who celebrate the local economy often do so with a strong sense that an increasing energy crisis and costs for international movement of goods will redefine the global marketplace and require more regional self sufficiency. They see days ahead when energy scarcity or high carbon taxes will discourage the distant transport of food and goods and encourage local, decentralized production and distribution systems. One Randolph participant called it getting Vermont back to "our core virtue of self reliance." Many also feel that global energy and economic changes will shift patterns of consumption. They suggest that Vermonters won't be able to continue to "save less and spend more" and that "shopping as recreation will end." Others who favor re-localization see it as a key to long-term sustainability and a choice that Vermont should make now. A Middlebury participant proposed that the state "redefine prosperity."

He suggested that Vermont "take the reins and build our local economies.... If you travel around Vermont, [you see that] the beautiful things and buildings were built at a time when Vermont had its own economy."

The idea of "relocalization" is on the minds of many Vermonters as they think about the future. Where many see a crisis in rising energy prices when they look ahead, others see an economic opportunity for local agriculture, industry, and commerce and also for local doctors, lawyers, small businesses, and services.

Vermont as an Innovation Center

Vermont has made a name for itself with its many small-scale industries, including artisan and farmstead cheese producers, emerging wineries, microbreweries, specialty knitwear, nurseries, furniture makers, and organic dairy farms. While these small firms make important contributions to the state's quality of life and mystique, they employ very few workers and often pay lower than average wages. Vermont's economy has grown successfully in the past through the creative innovation of entrepreneurs whose small business startups have taken new ideas and product lines to market, resulting in rapid growth and leading to good jobs for thousands of Vermonters.

Throughout Vermont, residents express optimism that the state has the unique assets and qualities it needs to renew itself as a center of a new wave economic innovation. For many Vermonters the traditions of Yankee ingenuity and self reliance, the state's history of invention, and its strong work and environmental ethics create the opportunity to encourage numerous small entrepreneurial enterprises with small environmental footprints as a key strategy for the state's future economic development.

Many Vermonters point to innovation as the cornerstone of future prosperity and the way to attract youth and retain young Vermonters. This has often been labeled the "creative economy" and its proponents have concentrated on how communities can make themselves dynamic centers of innovation to attract the creative individuals who will invent new businesses. Vermont's amenities and quality of life are key assets here, along with the visual arts, music, and cultural activities. Some communities have approached the challenge of becoming attractive centers for entrepreneurs by building business incubators. Others are developing bike paths, music festivals, local amenities, buy local campaigns, and local energy committees, as well as giving support to local agricultural enterprises. Interestingly, in Vermont the creative economy idea, while including the focus



on arts and culture as it does elsewhere in the country, has concentrated on identifying unique patterns of local community life and strengthening community as the strongest local attraction. Many recognize that community centered cultural assets are an integral part of the Vermont way of life and a growing factor in the decisions of those who choose Vermont as the place to develop their businesses.

"The state is perfect to attract the next wave of people to start new businesses here," said an entrepreneur in White River Junction. "Because we are so small, the potential is extraordinary." Participants in its forums told the Council that if Vermont can attract intellectual capital or build pools of entrepreneurs, these innovators will invent new businesses to lead the state into the future. Taking steps to expand the state's reputation (and the reality behind it) as an innovation center could be key to attracting and retaining the creative youth the state needs to thrive in the future. "If we get more plugged in, we will be able to keep more kids here," a participant in Hinesburg told the Council on the Future of Vermont.

One of the aspects of the innovation economy that is often neglected is the state's strong non-profit sector. Vermont has more non-profits per capita than any other state. Some point to the complexity and potential redundancy of non-profit development while others celebrate the creativity and community involvement of so many enterprises engaged in serving community and state goals. A Hardwick forum attendee praised the dynamism of community involvement in Vermont saying, "we have a non-profit entrepreneurial spirit," that is a foundation of community success and an asset contributing to economic health. When a problem arises or a need is identified in a community, quite frequently a committee forms, incorporates, and develops strategies to address the issue. Vermont non-profits play a critical role everywhere in the state; in addition to their social service roles, they are important employers and leaders in local and statewide development.

Vermont as a Destination

In 2005 13.4 million visitors to Vermont spent \$1.57 billion here, providing the basis for 36,000 jobs (12 percent of the total) and supplying nearly \$200 million in taxes and fee revenues to the state. The number of tourists and their spending patterns constitute a critically important part of the state's economic portfolio. Yet, while Vermont is surrounded by New England, New York, and Quebec population centers and is literally within a day's drive for 60 million people, since 1990 the number of tourists and their spending have been either flat or growing slowly. Many point out that there is a huge untapped opportunity for Vermont businesses both to attract tourists and to sell quality Vermont branded products. In addition, Vermont arts, cultural events, recreational opportunities, and natural landscape all draw visitors and revenue. It is the unique combination of all these elements that makes Vermont a destination. The quality of life characteristics, which many attribute to a creative economy, also serve to make this state a place to visit and spend money. Yet, it is important to note that the state budget's support of the tourism industry is well short of that of other states in New England.

Vermont, Clean and Green

Many Vermonters testified to the Council that Vermont's commitment to the environment makes it a natural place to incubate businesses that are "clean, green, and smart." In one way or another, many Vermonters propose to position the state as "Vermont, the Environmental Problem Solver." They see great opportunities for Vermont in the global economy in the green sector. Associations like Renewable Energy Vermont and the Vermont Environmental Consortium represent hundreds of businesses that are developing new energy generation technologies, building tools to improve efficiency or detect and remove pollutants, or marketing environmentally friendly products.

At public forums, participants repeatedly pointed to what they see as an opportunity to incubate a new wave of cutting edge technology businesses, green businesses, value-added agricultural and forest products, and branded niche products. Many see Vermont's quality of life as a key attraction to draw and retain home-based workers and small businesses whose participation in the global marketplace allows them to be located anywhere and telecommute to connect with offices and customers well beyond the state's borders. Vermonters want to see universal and affordable high-speed broadband to support these clean and green economic opportunities.

Discussions around Vermont's economy were often dominated by themes related to agriculture and its role as signal characteristic of the Vermont green brand. However, based on dollars and jobs alone, the commonly expressed perception of the importance of agriculture as the leading component of the state's economic backbone is not true today. Vermont now relies on its service sector, retail trade, health care, government, and education to much greater degrees as foundations for jobs and prosperity. The perception of the leadership role of the agriculture sector is therefore based in part on the value Vermonters express for the working landscape, and in part from the historical and visual reminders of Vermont's agricultural past and its ongoing contribution to the character of the state. Highly visible value-added businesses such as Cabot Creamery and Ben & Jerry's, as well as innumerable and diverse farm and value-added food enterprises, powerfully contribute to Vermont's brand cachet as well as to local and statewide economic development. Vermont has made some significant efforts through tax and regulation policies to support its farms and working landscapes, and has recently seen a resurgence of "buy local" campaigns that focus on food markets and value added agriculture products. Vermonters cherish agriculture and repeatedly called for investment to support its crucial role in the state's future.

Opportunities

Often at the end of a forum with business people, from dairy farmers to corporate leaders, participants arrived at two consensus positions: First, Vermont needs a clear strategic plan that identifies key economic opportunities and that deploys resources to advance

them. Second, Vermont needs to end what many see as the uncertainty and delay of regulatory decision-making; almost everyone agrees that regulation should be clear, predictable, and timely.

A Windham County resident called for a "statewide strategic economic vision" and held that unless Vermont builds one, invests in it, and acts on it, market forces will result in the state becoming a "theme park." A Bennington participant echoed this idea claiming that, "we need to figure out what our strengths are and play to those strengths... it's not about balance, it's about making choices." This idea of creating an economy based on Vermont strengths and values came up in sessions everywhere. In Burlington a participant pointed to the need for economic goals, strategic action, and investment through identification of key clusters – software developers, life sciences, and energy development businesses. His proposal was to identify core areas for growth and build and carry out strategies to realize them.

A Brattleboro forum attendee responded to the talk of a strategic economic plan with both caution and enthusiasm. He held that it would be costly and difficult to build and invest strategically in line with Vermont values. He pointed to the fact that manufacturing costs overseas are a fraction of what they are in Vermont so that the state would need to make significant sacrifices, provide sizable public subsidies, target new regulatory pathways, and in many other ways invest to promote and shelter the activity it wants. To him this would require a level of state activity, social unity, and mutual self sacrifice equivalent to that in World War II.

Several CFV forums considered how to build Vermont's reputation as a business-friendly state. This discussion always stirred debate. Some suggested that Vermont is not friendly to developers who violate environmental regulations, but that it needs to decide what kinds of business it will be particularly friendly to. In some conversations residents called for targeting clear strategies that make choices for the type of industry clusters that best fit Vermont. Rather than calling for blanket regulatory reform, these Vermonters seek strategic incentives to grow, attract, and retain the innovative, green, and low-impact businesses that are consistent with Vermont's scale and environmental ethic.

"The state is perfect to attract the next wave of people to start new businesses here."



Dynamic Tension



Throughout the state, many residents recognized that Vermont sometimes does in fact sacrifice job growth to maintain environmental standards. It does have a working balance between the environment and the economy, but one in constant and perhaps inevitable tension. A Brattleboro participant discussed the problem of the loss of youth to Vermont by saying, “There is limited opportunity for youth to stay. To develop more means losing some of what we cherish.” One presenter to the Council held that the economic results in Vermont today are the result of collective decisions, whether the results were intended or not. For example, the public complains about high taxes for schools, but then votes for them. Many worry about regulation stifling business development, but others fight against any relaxation of regulations. People talk about “smart growth” in community centers and then build or buy homes in the hills. Public choices and the dynamic tension inherent in controversies around development have determined many of the conditions in the economy for both good and ill. As that presenter expressed it, “You get what you ask for.”

Wherever the Council met with Vermonters, they expressed the view that education is the key to the future of economic development. Many Vermonters understand that attracting the relatively higher paying jobs needed to make Vermont affordable will require post-secondary degrees or technical certificates. This

issue is discussed more thoroughly in the Education chapter of this report. Most Vermonters believe that a good education system is needed to develop the innovative entrepreneurs who will create the businesses that will seed the state’s future prosperity. In discussions with groups ranging from prisoners to ministers and business leaders, higher education and excellent workforce education and training programs were mentioned as crucial for Vermont’s future economic success. At the same time, the cost of education, both at the local K-12 level and at the higher education level, was repeatedly cited as a significant part of the affordability problem. While many recognized this conundrum, few consensus solutions emerged from forums and survey responses.

At the public forums and interviews throughout the state, Vermonters were united in their concerns about the costs of living, the future of the Vermont economy, and the need for creating and maintaining good jobs in the state. Some advocated the more traditional ways of addressing these issues with education, regulatory reform, and tax policy. A significant number of others shared more idealistic visions for a new Vermont economy, one fitted to the scale and values of Vermont communities that would emphasize creativity and innovation, local production, green technology, sustainability, and the creative branding of Vermont products to seize market opportunities in the global economy.





Education



In its public forums, the Council on the Future of Vermont heard many opinions about how education in Vermont is managed today, and expansive hopes for what Vermont's educational system could be and could accomplish. Throughout the state, many Vermonters value education highly and see it as key to the state's ability to confront successfully the economic challenges ahead. A commonly expressed vision for education (from middle school to higher education) is to prepare students for success in the 21st century. To meet this expectation, Vermont schools will require significant funding, as well as professional and volunteer resources.

Rising costs of education are a universal concern, in both the tax structure required to pay for Vermont's public K-12 schools and the tuition increases for Vermont colleges. Not everyone agrees with the way public schools are financed today, just as they do not agree on what must be taught for young people to thrive and to be good citizens. However, it is clear that the majority of Vermonters see improving public education system and participation in post-secondary

education as a way towards solving the many complicated economic and social issues facing the state.

National trends show that the higher the level of education, the higher per capita income an individual can expect. Vermont faces the conundrum of struggling to meet rising costs for K-12 and post-secondary education while realizing that education is a key economic driver and may be the single most critical long-term investment supporting the economic prosperity of Vermonters in the years ahead.

School buildings themselves are of value to communities, providing many resources, from small libraries and performance spaces to neutral sites to host town business, civic meetings, and social events. But even more than the building, the presence of the school as a social, cultural, and educational center can make it the one place where parents, children, educators, and other community members interact. Many Vermonters view local K-12 schools in particular, managed by local school boards, with low student to teacher ratios, as the heart of their towns.

Controversies of K-12: Costs and Consolidation

Any public forum that considers K-12 education in Vermont will soon come to the subject of cost. Despite decreasing enrollments, school expenditures continue to rise, resulting in increased expenditures per student. The growth of instructional, administrative and support personnel per student, the dramatic increase in special education expenses, and burgeoning health insurance and energy costs that burden all Vermont schools combine to drive up the costs of running a school. The per-student cost of education in Vermont has doubled since 1992, making Vermont the sixth highest in the nation in per pupil expenditure in K-12 education. Vermont also has the lowest student-to-teacher ratio – 10 to 1 – in the country. Participants in CFV forums both praised this ratio for positive student results and blamed it for higher costs.

As Vermonters discuss costs, many still complain of unfairness in how cost burdens are shared town to town and statewide. In 1997, the Vermont General Assembly passed the Equal Educational Opportunity Act (known commonly as Act 60), the purpose of which was to increase equity among school districts with widely varying amounts of local property values. Under Act 60 and Act 68, equal access to revenues per pupil is provided, irrespective of the relative property wealth of the community.

Although Act 68 and Act 130 have modified the education funding structure in the state and added educational policy provisions, in general it was Act 60 that Vermonters talked most about in public forums. Many Vermonters still feel that the funding mechanism for public education is unfair to their town, and many towns find it hard to fund all the services that the public has come to expect from schools. As one person commented, “We lost a lot of input when we went to Act 60.” A Windham County resident expressed the feelings of others: “We’re a so-called ‘Gold Town,’ meaning we’re a net contributor to the school funding formula. This is a major issue... the area is sending money to Montpelier for distribution to other school districts, while the educational infrastructure at home is literally crumbling.” Some voices support the funding equity achieved through Act 60 and Act 68; but clearly, hard feelings remain, and there are serious concerns about what the future holds.

The provisions of Acts 60 and 68 have caused much debate, but the larger issue for most Vermonters is that supporting school costs has become an

enormous challenge in every town. A CFV survey respondent in the Champlain Islands wrote, “We can’t pay \$1.7 million for less than 50 students...it’s a terrible challenge.” One St Albans resident spoke for many about education as a priority and the personal and public sacrifices necessary for success: “Education is crucial... Vermont needs to be willing to spend money.”

Most people living in Vermont think of it as a place with a high quality of life where citizens place high value in providing for excellent and equitable education for all, even though there is a lower than average per capita income here than in other states. Despite the ubiquitous concern about the costs of education, Vermonters continue to pass school budgets. At these local decision points, Vermonters generally choose to pay in order to support the best education they can for the youth of the community.

Research shows that expenditures per student have steadily increased at a rate higher than inflation. Some Vermonters see increasing education expenditures as extravagant and unsustainable government spending, while others see it as a mark of positive commitment to excellence in education. The primary driver behind this increase in the cost in public education is the growth of school personnel per student, most particularly in special education, where expenditures grew at twice the rate of those for regular education between 1996 and 2001. School districts also face cost pressures from the dramatic increase in health insurance and energy costs. In a public forum in Hyde Park, one respondent said: “We want education to be efficient, not a burden on our taxpayers.”

There are strong positions in Vermont about school consolidation – both for and against it – and across the state Vermonters wrestle with the difficult challenge of how to evaluate these competing options in the context of reduced funding. Vermonters tend to want to preserve small town school local governance and the school as the community center. A resident of Granby testified about some consequences of the decision to consolidate her community’s school with another school district: “When we lost our school we lost everything. We lost our sense of community.” At the same time, Vermonters voice a strong desire for the efficiencies and opportunities that might be possible from consolidation, such as advanced classes, laboratories, and access to technology. A resident at a public forum in Island Pond said, “I believe that the state of Vermont needs to rebuild its educational system. Education needs to be looked at; we have to have a strong focus on standards, academics. And consolidation needs to come.” Interestingly, research shows that costs do not necessarily decrease as more students are put under one roof.

While there is tremendous talent and dynamism in the educational sector today, the evidence from research and from the voices of Vermonters shows that Vermont lacks a clear consensus around which public education structures are essential to prepare young people for the next century. As one educational policy maker put it, with all the needs we are facing today, we are paralyzed by a dialogue that focuses exclusively on costs. As a result, “the environment in Vermont around public education is toxic right now.”

Assessment and Results

Some of Vermont’s most heated policy debates revolve around the cost and financing of public education without necessarily addressing the long-term goals of the system or its current performance. In public forums and focus groups across the state, Vermonters echoed the perennial debate around costs, much less often referring to the significant achievements of the educational system today. Yet, seen from a comparative perspective, research documents that education in Vermont can be seen as one of the state’s greatest success stories.

By most educational measures, Vermont is in the top quintile of national rankings on school performance. The changing methodology of student performance tests makes it difficult to make comparisons over time, but Vermont students score well in assessments, and the state has an abundance of positive educational data. For example, in 2007, Vermont ranked eleventh in the nation in the percent of adults (Vermonters over the age of 25) who graduated from high school. Significantly, Vermont ranked the sixth best-educated state in the nation, measured by the proportion of adult citizens with bachelors and advanced degrees.

Over the years, the state has used a variety of assessment instruments; some have been statewide, some regional, and currently Vermont participates in the nationwide assessment of student learning (National Assessment of Educational Progress). Based on the raw scores, Vermont students traditionally score higher than the national average on the Scholastic Aptitude Test (SAT) verbal tests. Recently, Vermont students scored slightly above average on the SAT math tests as well. The high school drop-out rate has been declining. While Vermont’s performance is high compared to the rest of the nation, these accomplishments, especially the declining drop-out rate for high school students, do not seem to be celebrated by the Vermont public and

policy leaders, and were not recognized by those who participated in CFV forums and surveys.

Few Vermonters feel complacent about school performance. Some shared their perception that K-12 students are not learning to national standards, especially in math and science, and that Vermont should upgrade curriculum standards for science, technology, engineering, and math education to give future students a jumpstart into the workplace.

In an interview with the Council, members of the Vermont School Boards Association testified that their local school board constituents tell them that there is disagreement about what a good education means in their districts and throughout the state. There is a enormous tension about all the roles that schools are expected to play. For some participants in public forums, schools should focus only on academic disciplines. Others worry that Vermonters turn over to schools too much of what have traditionally been family responsibilities. As one respondent from Essex County put it, “Now the school is trying to be the family – but the school can only do so much!” Others welcome the expansion of roles as a social good and see education as a doorway to the future, exposing young minds to new technologies, new experiences, and resources beyond what the family and community provide.

While acknowledging that Vermont’s education system performs well when measured by standardized testing, Vermonters speak about other qualities and values they also see as important to educating youth, that don’t get measured in tests. Threaded throughout the CFV forums was the idea that schools should teach many things that are less quantifiable than reading writing and math: team work, problem solving, adaptability, healthy living, and other skills that will help young people adapt to the economy and the culture of the twenty-first century.

Many Vermonters believe that the ongoing debate about school funding is taking the focus away from an equally important challenge: can communities and the state change the educational system so that it more effectively meets the needs of young people today and prepares them for the opportunities and challenges ahead?

“The world that our kids are headed into is a very different world and we need to teach the kids based on an unknown future. We need to provide an education with global viewpoints instead of an American-centric viewpoint,” remarked a young entrepreneur from Glover. Many see the need for education that will allow young people to learn the practical skills to advance in a more sustainable economy. A mother in Barre asks,



“How do we rebuild our education system so kids know how to make affordable homes, create victory gardens as we move from a corporate food economy to a local economy?... Schools are not giving them the skills they need... school systems should challenge our kids to be peacemakers.” An attendee at our Randolph forum put it succinctly for others in attendance: “We will need to develop more educational programs that model sustainability.”

Others think that Vermont needs to expand civics education for a new generation. A Bennington resident posited that providing students opportunities for service and leadership would help prepare them for citizenship; “Service opportunities can be offered through every grade of school. That will promote a spirit of community and worth in young people.” A veteran from the VFW in Hyde Park expressed the need to train youth in traditions and values, “Our children, your children, are not being taught any values in school... they don’t have a clue they are supposed to stand up and respect the Color Guard.” Several Vermonters also explained to CFV how education in Vermont could more effectively use this unique *place* – the social, economic, geographic, and biological frameworks of one small state – to describe how other systems outside the Green Mountains work.

Skills and Technologies

In conversations across Vermont, the Council repeatedly heard from citizens about the imperative of preparing students to adapt and succeed in the future. In most forums, the Council heard about the connection between a well-educated public, job creation, and career skills development. A school board member claimed that education could be the foundation of future prosperity; “There is a connection between economic development and education but it’s about good schools... we need to focus on excellence in education; this could be the way to bring in the entrepreneurs, the jobs, the young families.” A resident

of Hyde Park spoke of education as a needed investment that could pay high returns in future economic activity. He asked, “How does what we do in schools set us up to be in a position to attract and keep the intellectual capital of the future?” An elder at Bennington Project Independence pointed to major changes since he grew up, “You have to have a good education system. I went to work at sixteen, but now you need a good education to get a job.”

When it comes to career and skills development, Vermonters want to see more vocational, technical, and alternative routes in education. Vermonters recognize that some students learn more effectively through mechanical and vocational education; they want to ensure that the state system doesn’t neglect this important path to jobs: “We put too much [emphasis] on college education rather than the trades,” according to a St. Johnsbury resident.

Technical education, workforce education, and access to high-speed information technologies are tools that many Vermonters want to see used more effectively in local schools to align student skills with careers in the future. Many comments at the public forums focused on tailoring education to the skill sets that young people will need in the workforce of tomorrow. The need for a stronger connection between K-12 education and workforce development is emphasized by Vermonters from the Higher Education Council to inmates at the St. Johnsbury work camp, from the Vermont School Boards Association to people who came out to public forums.

Vermonters agree that children today need to be prepared to compete with workers and professionals nationally and globally by having access to and learning how to use up-to-date information and communications technologies. To respond to rapid change and to participate in curriculum beyond those offered directly in local schools, information technology and communications infrastructure is seen as a critically important educational tool by most Vermonters.

Secondary and post secondary schools in Vermont today struggle to keep pace with the astonishing rate of knowledge accumulation and the challenge of keeping infrastructure and technology up to date. Remote and rural schools – where connectivity isn’t available or the culture of internet use is undeveloped – are clearly at risk in terms of the demands of the twenty-first century. The investments needed are significant but crucial to Vermont’s educational success and long term prosperity.

At the same time, many Vermonters point to challenges in advancing technology, how it is used, and what its long-term effects may be. Students are seen as “digital natives;” they have grown up with the Internet and mobile communications as essential parts of their culture, in contrast to teachers and parents who are not familiar or comfortable with the tools of technology available to them. Some Vermonters also reflect that the emphasis in education should not be on speed and technology, but on teaching students how to process, analyze, evaluate, and synthesize information accumulating at an unprecedented level.

Some Vermonters express reservations about the growing digital culture. They shared their worries about the danger of the loss of face-to-face communication to media screens, and expressed their concern about the growing role of “virtual communities” that could take the place of participation in the physical and local communities where they live. A Randolph attendee warned that, “Young people don’t see the value of actual physical community rather than virtual community.” And a St. Albans resident cautioned against allowing technology to take the place of content-based educational attainment; “Computers, Internet, TV, cell phones make it a different world. There used to be a big stigma around not doing well in school – kids now don’t seem to care so much about doing well.”

On the other hand, citizens around the state feel that students should be getting not just discipline-based knowledge; they also need to learn social, living, coping, and economic literacy skills – like balancing a check book, knowing how to interview for a job, learning how to write a resume, or managing activities so that work is priority. A Newport resident points out that with all its complexity, the curriculum “doesn’t teach financial literacy... especially budgeting and planning to meet your life goals.”

In the uncertain economic times faced by the state in 2008 and 2009, the reality is, according to a speaker from the Community Justice Center St. Albans: “Today one must have a high school diploma or a GED in order to get jobs. Even at McDonald’s.”

Cost Challenges in Higher Education

Higher education is rarely recognized as an economic driver for the state of Vermont. Research shows, however, that the six public and eighteen private institutions of higher education combine to create the fourth largest industry in the state. A recent study by the New England Association of Schools and Colleges (NEASC) estimates that the direct and indirect impact of higher education on the state’s Gross Domestic Product is over two billion dollars a year. The abundance of activities offered by the state’s private and public colleges and universities contribute to Vermont’s quality of life and provide many civic, cultural, and recreational opportunities. But higher education faces significant challenges in the coming years.

The rising cost of higher education is a primary concern for Vermonters. At a public forum

in St. Johnsbury, one respondent posed this question: “Will my children’s children be able to afford to go to college?” Higher education in Vermont is expensive for students, and like K-12 education, its costs have risen more rapidly than the rate of inflation in recent years. Many students are graduating with massive student debt. The average accumulated debt for students with loans from Vermont Student Assistance Corporation increased by 150% between 1993 and 2005.

Vermonters feel this cost burden and worry about the affordability of higher education for their children. As one respondent told CFV: “I cannot put my children through college, but there are many scholarships and state support to help... maybe they’ll get in somewhere.” The amount of grant money from the state and federal government available in real terms to Vermont students has increased only marginally for nearly two and a half decades, while college costs and the need for loans have risen significantly. At the same time, state appropriations for higher education have been declining relative to the total state budget for the past two decades. Vermont’s institutions of

“I cannot put my children through college, but there are many scholarships and state support to help... maybe they’ll get in somewhere.”



higher education see the results in tighter budgets, and Vermont students are finding college less affordable and, when they do attend, leave with debts that will impact their economic capacity for years to come.

Vermont Students and Higher Education

While the percentage of Vermont high school graduates attending post-secondary education rose from the 1970s to the 1990s, the rate has not varied much since then. In the last few years, around 64 percent of high school graduates have gone on to higher education. This trend reflects what is occurring across the nation as a whole.

Leaders of the state's colleges are concerned that most Vermonters do not understand clearly enough the connection between higher education and the economy. A member of the Vermont Higher Education Council called for "educating the populace so they know the values of higher education – for themselves and for the community." Research showed the Council that nationally in 2004 the unemployment rate was around 7 percent for those people with twelve years or fewer of education, while those who had a college degree had an unemployment rate of approximately 2 percent. It is also well known that an individual's earnings increase with additional years of education; average monthly earnings for a high school graduate nationally in 2004 were around \$600, while someone with a Master's degree averaged over \$1000 a month.

Research shows that a smaller percentage of Vermont students are attending in-state colleges and universities than are selecting educational programs outside the state. The number of recent Vermont high school graduates attending in-state colleges dropped by 300 students in the decade between 1994 and 2004, while the number attending college out of state increased by over 600 students. Enrollment in private Vermont institutions has historically been between 15,000 to 16,000 students, while enrollment in public institutions, the University of Vermont, and State College system, held steady between 1990 and 2000 at 20,000 students, and then rose by about 4,500 students in the last eight years.

Vermonters worry about sending students out of state to study, and many see the out-migration of Vermont youth as one of the major challenges for the state in coming years. They bemoan the loss of young people but have not built the argument for why they should stay. One young woman in Randolph identified a challenge inherent in the Vermont debate about the

loss of youth itself: "The message is being sent to our young people that to be successful, they need to move away. We see our communities as being incapable of educating the smartest young people and so only the failures stay here. We are speaking from our fears."

This out-migration for the college years is more than offset by an inflow of students from other states, making Vermont a net importer of college-age youth. The fact that Vermont is a net importer of college students, and that many of the young people who came to school in previous decades have become leading entrepreneurs in the development of signature Vermont businesses, raises the question of how Vermont helps innovative youth stay and build careers or businesses after graduation now and in future.

What emerges from this complex picture of the movement of young people into and out of Vermont for post-secondary schooling is that education has a strong role to play in bringing young people here; the state's private and public educational institutions give Vermont an excellent reputation for education. Throughout the state, many Vermonters recognize institutions of higher education as economic engines today, but also as vehicles to both retain and attract the innovative youth who will spearhead the economy of the future. A St. Albans participant claimed that, "If you can offer the education, you can get people who are excited about it and then use the education platform to build the mass of young excited people. They could be the economic drivers."

Equality and Diversity in Education

In public forums throughout the state, people talked about how they would like to promote education that supports all students to achieve a prosperous future: honor roll students, average students, at risk students, and adult students working through continuing education and workforce training. Each kind of student has specific educational needs. One respondent put it this way: "A large segment of our population hasn't been able to or motivated enough to get the kind of education they need to be successful in today's society. Does it touch the rest of us enough to address it?"

Research shows that overall school enrollments have fallen in Vermont since the turn of the twenty-first century, while, notably, the enrollment of minority and English as a Second Language (ESL) students has been one of the few growth segments. Throughout Vermont the percentage of all students who are minorities in the K-12 system has grown significantly, from 1.8 percent

in 1990 to 6 percent in 2008. The Council met with immigrant groups and heard from educators concerned with providing appropriate services to support students from the increasing number of homes with primary language other than English, especially in Burlington where there are students with forty-seven different primary dialects, and Winooski, where one quarter of all students are learning English as a second language.

The issue of equal educational opportunities for all students with diverse needs and backgrounds was expressed in different ways through interviews and public meetings. Vermonters wonder if the needs of the diverse populations of students across the state are being met today and how they might be met in the future. Many believe that Vermont will see increasing numbers of immigrants over time, and statistics show that Black and Hispanic families tend to have more children than those of White Vermonters. Many Vermonters told the Council that quality early childhood education is critically important to provide all children with an equal start, even if their specific needs are different. Some told the Council that marginalized groups, such as children from low income families, are not getting equal education or the opportunities to succeed in Vermont.

Priorities



Education is a priority for Vermonters, but it is confronting long-term and difficult challenges that threaten the system's ability to meet the needs of its students and the myriad goals and expectations of Vermonters. There are many demands for schools to cure the ills of society. Drug and alcohol abuse in young adults? Add programs for youth in schools that will help them respond to illegal and dangerous activities. Lack of an adequate workforce? Have schools partner with one another and with local businesses to increase career development among young people. Children with special needs? Design individual education plans and hire aides to support each child in learning as is best suited for him or her. Single parents who must work two or more jobs? Expand after-school programs that enable kids to learn

and be safe while adults are occupied. Inadequate nutrition at home? Provide school meals using healthy, local foods. And on top of all the new curricular areas and social concerns the school must address, residents, like this Northeast Kingdom forum participant, have additional complaints, "School is just not rigorous enough. Parents aren't involved and everything relies on the teachers."

Education in Vermont is called upon to provide structured opportunities for learning in formal and informal settings for every aspect and phase of Vermonters' lives. This includes family structured learning; early childhood education and development; K-12, technical, and vocational education; post-secondary education; higher education; workforce education and training; personal enhancement, health, and civic education.

The Council heard that Vermonters want to see an education system that will support the educational needs of the diversity of Vermonters, from the emerging young scientist to adults who need to learn to read. Education also has a strong role to play in keeping young people in Vermont and in developing leaders to serve in the local, national, and global arenas. Vermonters place great emphasis on education as the seedbed for both innovation and a skilled workforce, the foundations for Vermont's economic future.

In attempting to meet public expectations and address the many challenges before them, schools today have become increasingly expensive. Even so, many Vermonters are concerned that the state is not adequately supplying students with the skills and creativity that will allow them to meet the future with confidence. These challenges are compounded by the diverse and sometimes uncoordinated leadership structure for the K-12 system in Vermont, and the variety of interests working toward independent ends.

Teachers, administrators, and policy makers find themselves challenged to keep up with the growing demands on the educational system without a unified vision and a consensus strategy for advancing the goals of education in Vermont.



Human Services, Health, and Safety



Vermonters take pride in their neighborliness and dedication to community. This is reflected in the high levels of trust they have for each other, the strong investments they make in ensuring the welfare of those with physical, mental, and economic challenges, and the commitment they share to public health and safety.

Quality of life is measured in part by personal experiences of safety, health, economic well-being, and the ability to access basic public services. While the concerns of Vermonters in this area reflect many of the issues connected to national trends, the state is unique in the balance of needs and the diversity of services it has developed to meet these needs. It performs well in some areas of human services and less well in others.

Many Vermonters call on their state to lead and be a model for the country in developing solutions to challenges ranging from hunger, homelessness, and dependency on state economic assistance to universal and affordable health care access. In responses to the

Council on the Future of Vermont's data-gathering process many expressed hope for the changes in social policy that a new federal administration may bring and the role that Vermont could play in advancing a new national agenda.

At public forums held by the Council, Vermonters testified about the challenges facing their fellow citizens and significant issues in the implementation of key human services that deal with health, poverty, unemployment, children and families, and corrections. Many reflected on how difficult it is for services to reach and change the root causes and conditions that prevent some people from thriving. Vermonters understand that there are no simple solutions for some of the complex multi-generational and interwoven socio-economic challenges that face fellow citizens and their families. The high value that Vermonters place on neighborliness and on the importance of every individual has contributed to the traditionally high-level commitment of the state to social programs and the

consistent and compassionate efforts across the state of volunteers and professionals working with dedication to make life better for all Vermonters.

Several themes emerged from the Council's surveys and statewide forums. Vermonters feel safe here and trust their fellow citizens. Yet, incarceration rates and the costs of the criminal justice system have been soaring and Vermonters worry that public resources are not effectively focused on rehabilitation. Research shows that Vermont is rated the healthiest state in the union, but the costs and availability of health care are major and unresolved concerns. Seeing the trend toward an aging population, citizens worry about how an aging population will find security on fixed incomes. Emergency services and their attendant communications challenges are compounded by the rural, mountainous nature of the state. In line with their strong feelings about community, Vermonters have consistently testified to their concern for the welfare of others and expressed their desire for effective public systems to care for the needs of the most vulnerable and support the well being of all residents of the state.

Safety and Trust

Vermonters appreciate the feeling of safety in the state. "Vermont is safe, it's a good place to raise kids," was a comment echoed throughout the public forums. Residents often leave their car doors unlocked, their houses untended, and otherwise put trust in the fact that their neighbors and community members take care of one another. "You can walk down a country road without fear." Students interviewed in the Council on the Future of Vermont process also commented that they felt they could leave their bikes unlocked, visit with friends across town, or walk by themselves in the woods – opportunities that young people in more urban areas might not enjoy so freely.

A resounding 71 percent of Vermonters agreed with the statement that "generally speaking, most Vermonters can be trusted," in a 2005 survey cited in *Vermont in Transition*. National polls find proportions closer to 34 percent. The fact that Vermonters trust each other, by this measure more than twice as much as Americans as a whole, reflects the sense of community cohesion Vermonters expressed in CVF forums. Vermonters said that trust and safety are essential aspects of Vermont for them; some newcomers to the state go so far as to say that this is why they moved here. Residents are reminded of these valued characteristics when visiting a city or comparing Vermont's rates of crime and personal safety to areas outside the state's borders. "Maintaining a low crime rate" is selected as one of the highest

priorities in statewide polls conducted every five years since 1990 by the Center for Social Science Research, with about 90 percent of the respondents calling it a "very important" priority.

At the same time, many Vermonters feel that this sense of safety is threatened. They explain their concern by pointing to transient populations bringing drugs and violence to the state and to the hard times facing those who are on the low socio-economic edge of society. Others reflect that newcomers to Vermont bring lower levels of trust with them. "The sense of wariness has been escalated by people who have moved from other areas that are not as safe. They come and put gates up and install security systems," a respondent in Bennington told the Council. "There are more police now than there used to be," said one senior citizen in St. Albans, remarking on the change in the sense of safety felt in her town.

Diversity can test public feelings of trust and safety; it may be that Vermont's relatively low level of diversity is an ingredient in its high levels of trust. Trust and feelings of safety may be especially sensitive issues for some minority groups in the state. For example, the Council heard from individuals in Vermont who feel less than safe: "the layer of safety is thin for LGBT [lesbian, gay, bisexual, transgendered] people in Vermont," remarked one respondent. "It is still not safe for people to receive mail even from LGBT groups/organizations or to be 'out' in communities." Members of Vermont's racially and ethnically diverse communities often feel the same: "feeling like you are a part of a community doesn't eliminate those instances of racism," said a respondent of color in Brattleboro.

Crime and the Criminal Justice System

For many years, Vermont has had one of the lowest crime rates in the nation. Some Vermonters are deeply concerned, however, about the current state of criminal justice in Vermont, especially about particularly vicious or egregious crimes, the costs of the state criminal justice system, and the challenges inherent in the need to rehabilitate those guilty of crimes and reintegrate them into their communities. While research shows that the state ranks well in comparison with other places, Vermonters are concerned about how crime and criminals are managed.

"Vermont has been and remains one of the safest states in the nation, almost always in the lowest five in the combined rates of homicide, rape and robbery, and Vermont polls show that Vermonters' fear of crime is significantly less than is found

nationally. Although Vermont has seen some increases in selected types of crime in the past few years (especially drug violations) the rate has been stable for so many decades that it is unlikely that the state's ranking will change much in the future. In fact, the Vermont rate of violent crime is only 29% of the national rate, almost the same as it was in 1980 (31%)."

– *Vermont in Transition*

Some Vermonters believe that because the state has less crime, it is able to focus instead on other issues, like homelessness, hunger, and housing. Other Vermonters speak from anecdotal experience about the crimes that make the headlines or the horrific events that rock the entire state when they remark, as one forum participant did, that the "increase in crime rate is enormous." Interestingly, polling produced by the CFV showed that over a third of Vermonters said that they were "not at all concerned" with public safety in Vermont, perhaps reflecting their understanding of Vermont's comparably low and relatively steady crime rates.

State police personnel in New Haven remarked that they see hard and complex human stories that most Vermonters do not come face to face with. "Police work is 80 percent social work and 20 percent police work," they told the Council on the Future of Vermont, remarking on how many issues are deeper than crime alone and require an array of skills and services, more than a single police officer can handle. Drug abuse, domestic violence, theft; many of these crimes connect to deep-rooted family circumstances and multi-generational problems, causes that police are not trained to handle and where short-term emergency responses have minimal long-term impact. Organizations working long-term to handle some of these crimes (such as the Vermont Network Against Domestic Violence and Sexual Assault) told the Council that educating communities and raising awareness in the society are two big general steps to take. They told the Council, "It is difficult to gauge the number of people who need services. Traditionally, very few victims contact domestic or sexual violence organizations."

"Every community needs a community justice center; the incarcerated need support, not just punishment."



Costs of Corrections

There is widespread concern among Vermonters that the costs of the criminal justice system have grown out of proportion to other needs in the state budget. Between fiscal year (FY) 2004 and FY 2008, the General Fund Appropriations for the Corrections Department increased from around \$38 million to close to \$113 million. Another metric to look at is the number of employees in the Corrections Department – in 2008 it was the second largest department in the Executive Branch with around 1,100 employees (only the Agency of Transportation had more). The costs of Corrections have risen with corresponding increases in the number of people on sanctions, on parole, incarcerated, or in re-entry programs. Since 1989, the Corrections Department has booked over 69,000 first-time entrants to the system. The rising trend in individuals involved with the Corrections Department reflects a national trend in crime, but it is important to note that while Vermont's rates of incarceration are today historically high, the rate is still one of the lowest in the United States. Vermont only has 402 prisoners for every 100,000 people – many states have over 1,000. Measuring the cost effectiveness of the criminal justice system and

all the human services programs required by the families of incarcerated Vermonters is very difficult; it is important to note that other parts of the Agency of Human Services (such as Department of Children and Families) have had sizeable cuts in their state funding during these times, and that on the whole Vermont rates low nationally for the cost per citizen for the correction system (Vermont has a cost of \$150/per citizen, while New York's is \$248/per citizen).

The Council's research noted a national imperative to get tough on crime, especially the crackdown on drug-related crimes. It is interesting that the number of incarcerated drug offenders in Vermont went from around 20 in 1989 to nearly 200 in 2007. Other trends in Vermont's prison population include a major increase in the incarceration of women and older (over age fifty) inmates, and a decreasing rate of incarceration for offenders between ages sixteen and twenty-one. Significantly, 34 percent of the male population of inmates and 56 percent of the female population have been diagnosed with mental illness.



The per capita cost in FY 2007 of in-state incarceration at \$45,700 per prisoner per year is more than double the amount to house prisoners out of state, at \$21,200. This disparity in operating cost, combined with fact that all Vermont current prison bed space is being used and the expense of construction of new space, has led to an expansion in the placement of Vermont prisoners in out-of-state facilities. Prisoners interviewed by the Council feared being sent out of state and argued that sending people away separated them from their families, their best influences, and built connections with gangs, drug dealers, and other criminal mentors that reinforced negative identifications with criminal lifestyles.

Many Vermonters would like to see the criminal justice system refocus on community engagement and rehabilitation, rather than incarceration. They told Council that there should be alternative options to simply jailing criminals and lawbreakers. “Every community needs a community justice center; the incarcerated need support, not just punishment,” said a respondent at the Newport public forum. This echoed opinions expressed in the sessions the Council held with incarcerated Vermonters, who described the histories of their involvement with the law and the difficulties of their financial situations upon release. Many restorative justice advocates also talk about the lower costs of early prevention systems that would keep offenders from becoming incarcerated at all.

At one session with inmates at the St. Johnsbury work camp, participants described their values and concerns for the future. They celebrated the connection to nature, the strong communities, and the scale of the state as key values that they share with other Vermonters. Asked to identify the biggest challenge facing the state they answered in unison, “Substance abuse!” These young men described how negative addictive cycles that they often feel powerless to avoid disrupted their connection to Vermont values. They called for help to reintegrate with their communities

and for workforce training to help them move into productive employment.

Health and Health Care

In an era when obesity, diabetes, and other diet-related problems are rampant in the U.S., research shows that Vermont is ranked as one of the healthiest states in the country. Vermonters recognize their unique opportunities to be healthy, eat well, and participate in outdoor recreation. Wherever the Council went, forum participants pointed to the state’s wholesome environment, clean air and water, and availability of healthy foods from local agriculture as key assets for health today and in the future.

But access and affordability of health care and health insurance is on the minds of many Vermonters. They also worry that the available health coverage does not meet the variety of needs that individuals and families experience. Forum participants noted specific gaps in today’s health care system.

First, Vermonters report that there do not seem to be enough doctors, especially general practitioners, and dentists. Many believe that this is because doctors and other trained medical professionals are not paid enough to be attracted to work in Vermont, especially in more rural and isolated parts of the state. Many of those practicing here are not taking new patients, in some cases because of the quality of patient health-care plans and the low reimbursement rates that they receive, especially from the Medicaid program.

Second, the insurance options that do exist in Vermont are becoming increasingly expensive for small employers to carry on behalf of their employees or for individuals to buy for themselves. The high cost of insurance is a burden for all employers but is especially challenging for Vermont’s small businesses, farmers, contractors, artists, self-employed entrepreneurs, and professionals. Some participants in the CFV forums cited annual increases of up to 23 percent per year in the

cost of insurance to their small businesses – a significant burden to bear without increased revenues.

Third, Vermonters recognize that living in a rural state means that their access to medical centers and services is more difficult. Some participants in the forums suggested that the provision of services to people with special needs can be severely limited by the distance between medical centers. Ideally, Vermonters would like to see their health care needs taken care of locally, but they also recognize that one local doctor or medical office might not be able to provide the specific care or services that individuals need. For example, a person with HIV/AIDS can't get services in Derby or Norton and must travel to Burlington for appropriate care.

Finally, for some people in the state, health care is unnecessarily complicated. The most common concern is that people who are dependent on the government for payment of their health care costs must navigate complex rules and substantial paperwork to get reimbursed. "Vermont is less restrictive than many states, but the bureaucracy is overwhelming for people trying to get elder services. You need to be an expert to navigate the system," a forum attendee from southern Vermont told the CFV. The problem is exacerbated for mental health and dental services; the procedures for simple coverage are complex and time consuming.

Many Vermonters expressed a desire to see universal health care coverage, while others said controlling costs or providing more assistance for prescription drugs was important. At many forums, participants cited the Dr. Dynasaur or Catamount health plans supported by the state, saying they should be improved and expanded.

Elders

Older Vermonters have different and greater needs when it comes to human, social, and health services. Demographic trends anticipate a growing population of older people in the future throughout the state. Vermonters want to be sure that they have the support to age with dignity.

Elders who have a family network and own a home often have the best care. If they are connected to other people and have help to fulfill their needs, they are safer when an emergency occurs. Among the elderly people who stay in their own homes, there are many who need constant care, or at least frequent assistance. Those without family support are often left alone, isolated, and unprepared to face the complexities of bills, Medicare, and other services. "There's a huge knowledge gap in being prepared to live independently. People get confused, and so are easily intimidated and

taken advantage of," a senior citizen in Franklin County commented.

Transportation is crucial for older Vermonters. While public transportation services may be enough to help seniors to their most critical appointments, there are many activities not served by those public resources. Elders need to be driven to events, local institutions, family or friends' homes, and senior centers; without those opportunities they are subject to isolation and all its attendant challenges. The Council heard from older Vermonters who were just beyond the reach of public transport and felt cut off and abandoned because they could not get to town, stores, or events.

Some elders, especially those on fixed incomes, have limited ability to purchase food. Some live away from a town center and can no longer drive themselves, resulting in a population dependent on 'Meals on Wheels' and other mobile food service programs. Increasing numbers of seniors are making hard choices between purchasing expensive medications and food, or other basic needs, such as fuel for heat. A board member at the Franklin County Senior Center told the CFV "For many, it's not the cost of living; it's the cost of existing. A huge percentage of their income goes to fixed expenses." Another agreed, adding, "You can't piecemeal the priorities when it comes to senior services. You have to provide security first, and then things like transportation. There is no quick fix to a systematic problem."

As Vermont looks ahead to an increasingly large aging population, the needs for senior transportation and the delivery of health and social services is great and growing. Providing adequate systems and using partnerships among state agencies, non-profits, and businesses will be a challenge that Vermont will have to address soon. Yet in some public forums, Vermonters also told us that the growing need for health care related especially to the elderly could be an opportunity for Vermont. Senior housing, retirement communities, elder services, tourism, and health services could be expanded elements in the diversified economy of some Vermont communities in the future.

Poverty

Vermont's 7.6 percent poverty rate and the 3.9 percent unemployment rate in 2007 were much lower than national averages, and have been so for many years. At CFV forums throughout the state, however, there was a marked concern about the challenges faced by the poor – for "the people who don't come out to meetings" and those who "can't help themselves."

Many Vermonters talk about the gap between rich and poor in the state, and recognize that this gap is growing and could lead to increasing social division over time. Research shows Vermont has considerably lower levels of income inequality than the country as a whole. It ranks seventh lowest in the nation for the gap between those earning the most income and those earning the least. While the gap is not as large as it is in most other states, it has seen a marked increase in recent years. Between 2000 and 2006, there was a 60 percent increase (or 30,000) in the number of people in Vermont who filed tax returns in the over \$100,000 category. Perhaps in a small state where there is a history of egalitarianism and close contact, any increase in disparate circumstances is more immediately noticeable to fellow citizens. The public concern about the rich and poor expressed in the forums suggests that Vermonters feel these changes personally.

One of the most significant and intractable challenges facing Vermont is that of multi-generational poverty. The CFV heard that while there are many success stories, there are just as many where there is a family history of poverty and no mechanisms to change their situations. Community Action staff in Franklin County told the Council, "People go from generation to generation receiving benefits, but they're not enough to get them to move on. People don't really get enough to live, but if they get a job, their benefits are cut, so they're penalized if they want to get out of the generational poverty. They won't earn a lot more money, and will lose food stamps and medical care."

Many Vermonters expressed an interest in seeing the welfare system reformed, saying that it was "easier to stay in the system" than get a job, because people supported by the state have disincentives to support themselves. Human service employees talk about eliminating obstacles, pointing specifically to "benefit cliffs" where state-provided benefits are dropped or lowered after a certain period of time for those who obtain new jobs or increase their wages. These cliffs make it difficult for individuals to get ahead. Human services workers expressed frustration with the contradiction and warn that the state has not figured out how to give people a gentle transition into the workplace.

At public forums, Vermonters seemed mystified by the variety of services available and commented about how difficult it must be for low-income Vermonters to navigate the system. Service providers, however, affirm that there is collaboration within and among agencies and organizations that support people in need, and that they are very diligent in working to make programs

as seamless as possible. This does not mean that basic needs are always met for the Vermont poor. A visitor to the Spectrum Youth Center in Burlington told the Council about the "difficulty of making it outside of the corrections system. There are long waits to get into programs – even programs for folks who are homeless." One of the staff people reported that "We have a ton of services here, phenomenal agencies. But still people slip through the cracks between agencies and services, because they are decentralized and not coordinated by a mechanism that makes sure that someone responds to the individual needs."

A number of Vermonters worry about the concentration of poverty in some communities and believe that it is compounded by the concentration of social services, since Vermont has higher benefits than surrounding states. Some Vermonters cited a negative effect on their communities from hosting the service networks for the region, because they attracted people in poverty and with a variety of challenges, in their view making the town less attractive for business development or residential growth.

Despite these concerns, CFV generally found that most Vermonters are united by a strong sense of community; they want to support their neighbors and be responsible for the common welfare.

Emergency Services

Emergency services provided by municipalities, such as ambulance, fire squads, local police, or EMTs are critically important to the health and safety of Vermonters. Rising costs, long response times, and a lack of volunteers were the most common concerns that residents voiced about providing these services in the future.

More than ever before, firefighters, ambulance drivers, and emergency medical personnel must be highly trained. After September 11, 2001, the federal government added training requirements that include the sanction that reimbursements for federally-declared disasters will be lost if a department or municipality does not meet training requirements or operate according to set procedures. The State of Vermont also sets standards for what a volunteer service provider must know and be responsible for – standards which change as technology and training requirements change. For small towns in Vermont and their local volunteers, it is becoming harder to find people with time to give, or the ability to pay for mandatory courses and training. As more people commute and fewer people work close to home or in jobs that allow them

to leave for fire and rescue activity, there are fewer people standing ready as volunteers to provide emergency assistance. This puts a town in the position of hiring professional services. Very often the costs of personnel, health care, energy, and transportation are prohibitive for a small town to continue to support, much less expand, services to meet the growing needs and expectations.

Some Vermonters expressed concern that services do not come fast enough. In a state only recently (and not yet fully) marked with road signs and addresses for 911 emergency response purposes, volunteer and professional emergency service-providers must still find their way around dirt roads, small towns, and unmarked places of habitation. Speaking with emergency medical professionals, the CFV learned that many wish to implement “back country” medical protocols, which would allow the first responders to a scene to deal with the medical crisis without having to wait for another professional to arrive.

The emergency response system can get caught up in conflicts between local control and regional efficiency. In emergency situations, lives may depend upon a fast response time. No one wants to wait for a fire squad to come from miles away. The desire for a quick response and the history of local municipal services sometimes has led to the creation of many small emergency response services in neighboring towns. As costs rise and training becomes more complex, these local services are threatened in each town. In remote places in the state, where telephone lines and paved roads are non-existent, emergency services are hampered by the lack of wireless telecommunications, a system still inadequate throughout the state.

system. Businesses are finding it increasingly difficult to provide health benefits to their employees. Vermonters are concerned about inequality in health care access and recognize that certain populations do not have the ability to take advantage of the strong health care services generally available. The challenges of providing services in rural areas where primary care physicians are not available are increasing.

The social and medical services Vermont will need in the future, such as elderly services and access to local or regional affordable health care, will provide jobs. A strong system can attract other economic development to the state and many Vermonters see the medical services industry, alongside health-related tourism, as an opportunity for growth in the state.

When it comes to providing emergency services, such as fire or ambulance, Vermont towns find themselves in a conflicted position. The value of immediate and local service under local control, especially in rural places that are difficult to serve, is threatened by the cost of maintaining those services and the lack of volunteers. This means that the future of local emergency services is similar to the future of local small schools – many Vermonters value them but at the same time, given rising costs and staffing challenges, question the need for duplication and would like to see a concerted effort to consolidate and save costs.

Statistically, Vermont is one of the safest states in the country. Newcomers as well as long-time residents understand that the sense of safety and strong feeling of trust is closely linked to both the state’s small scale and to its history of cohesive communities.

Finally, it is clear that Vermonters are generous in providing support for people who live in relative poverty. Vermonters would like to see the values of hard work and independence lead to personal self-sufficiency and would like to reduce or eliminate the disincentives currently present in the publicly funded process of moving toward financial independence.

The root causes of poverty, unemployment, crime and others societal problems are hard to quantify, much less permanently solve. Vermonters care deeply about these issues, especially because they see them affecting their own neighbors and towns. The socially progressive policies that help support those in need in the state are a hallmark of Vermont, but also strain the financial and delivery systems in place today. Vermonters express the belief that there are creative solutions to be found, and these solutions could make Vermont a model for the nation.

Points of Unity



Human services in Vermont address a broad array of individual, family, and community needs. They are difficult to provide uniformly in a rural state, but Vermonters have worked with common purpose to support them – either by investing in services through their taxes or by putting themselves on the line as active volunteers for public safety and positive social service.

Vermont is one of the healthiest places to live in the United States, but health care is an increasingly difficult burden for residents and there is a strong public call for an affordable, universal health care



Infrastructure



Vermont's society and economy rely on a complex web of infrastructure systems: transportation, water, sewer, power, and communications. Often these systems are invisible to the people who rely on them; it is interesting to note that in conversations throughout the state, infrastructure most often came up as a topic in forums when it did not meet the needs and demands of Vermonters. Even though it is often taken for granted, Vermonters recognize that the physical and electronic infrastructure provides the necessary foundation for successful community and economic development. They want to see long-term and wise investment in infrastructure that offers greater efficiencies to Vermont's businesses, improves the quality of life, and brings existing systems up to standards. But their opinions on how best to invest vary widely.

Vermonters today are concerned about the older infrastructure of roads, bridges, and water and sewer systems. They see systems degraded by age, where decay could severely disrupt commerce and community life. They look to the future of their communities and the development of commerce, education, and culture and believe that universal access to affordable broadband Internet and wireless communications networks is essential. Citizens also identify cultural or community infrastructure such as training programs, small business incubators, town websites, community communications networks, and other online community services as essential for them to meet the future with confidence.

Communications

Among Vermonters' top infrastructure concerns is communications, especially cellular telephone coverage and high-speed internet access. The Council on the Future of Vermont heard citizens of all ages and occupations – from high school students to business leaders and farmers – complain about serious gaps in what is now an essential foundation for business development, community connection, and – for young people especially – social networking. One participant in Poultney laughed as he declared, “I only get cell phone reception in the outhouse – facing east.” Many others told us that they cannot get cell phone reception in the hills and valleys that surround their homes or places of business. In his 2007 inaugural speech, Governor James Douglas acknowledged the lack of mobile telecommunications infrastructure and the need for it when he emphasized his plan to make Vermont an ‘E-State’ with universal access to cellular and broadband connections by 2010. In the economic climate of the nation in early 2009 and in the federal stimulus package passed by Congress at the time of this writing, high-speed Internet access is targeted as a priority for the nation and all its citizens.

Community and Business Needs

Telecommunications infrastructure is critically important for economic development and job creation. For businesses to remain competitive, affordable access to digital information and commerce is essential. High-speed networks allow start-ups, telecommuters, and small businesses to connect to far-away clients, customers, and business partners from their Vermont headquarters, be it an office building or a kitchen table. One participant in Glover told the Council, “Because of telecommuting some people can work from anywhere, but they need the infrastructure to support it.”

Without a large local consumer base or the transportation infrastructure to convey goods, some of the more rural parts of the state, such as the Northeast Kingdom, have missed out on economic opportunities available in the state’s population centers and thus have been passed over by economic prosperity. Rural places need access to larger markets via the Internet even more than their more populated neighbors. With access to affordable high speed connections, rural businesses can use digital information and technology systems to compete with service-based businesses from all over the world. The ability to be connected, rather than historically isolated, presents many benefits to rural communities. A Newport resident claimed, “We

have an opportunity to really do something about the broadband and cell service. Communications infrastructure supports jobs and visitors.”

Attendees at public forums cited not only business opportunities available with information and communication systems, but also cost-saving ideas and efficiencies in the delivery of a variety of services from telemedicine to distance learning and emergency services. Broadband telecommunications services are important to schools, families, hospitals, libraries, government, and emergency services. Reducing the costs of medical visits through telemedicine, enabling students to take online classes from home, staying connected with distant loved ones – these and other benefits come with investment in a comprehensive and reliable cellular and broadband infrastructure. Residents of the Unified Towns and Gores of Essex County told the Council that emergency services are unable to respond to extreme accidents in rural wilderness areas because of the lack of communications infrastructure; with cellular service in these areas, they could respond quickly and efficiently, potentially saving lives.

Challenge and Demand

One of the biggest challenges in creating an ‘e-state’ in rural Vermont is ensuring that access is available in all hills and hollows – even where demand is low and services have low or non-existent return on investment in the short term. Although almost 90 percent of Vermonters have access to at least one mass-market broadband service, the remote and rural areas of the state are most difficult to serve. Rural counties like Essex have the lowest rates of access, while Chittenden and Grand Isle counties have the highest rates. Even in places that have some access to high-speed internet services, providers charge different connection fees and speeds of connectivity vary considerably, in part because digital technologies are still changing rapidly and business investments are more challenging for high speed infrastructure where there are fewer customers.

Vermonters have been quick to make the leap to these systems when available. In 2001, Vermont had 16,000 high-speed connections and just six years later, it had 193,151. According to the Vermont Department of Public Service, “growth in high speed computer access has kept pace with national trends and does not appear likely to slow.” National data show dramatic increases in internet usage and in computers with broadband access – from 5 percent of adults using the Internet in 1995, to 70 percent using it in 2006. Nearly 57 percent

of Vermont's population uses mobile telephones – a number that, given national trends, can only be expected to increase.

With all of the attention and focus on telecommunications as the wave of the future, Vermonters throughout the state cautioned the Council that the expansion of internet-based culture and social networking can bring unintended results. Vermonters do not want to see internet culture undermine or weaken the face-to-face interactions that characterize Vermont. Many felt that while it is advantageous to give people the opportunity to work anywhere by telecommuting, a distinct disadvantage is that their work keeps them isolated at home instead of interacting within a larger environment. There is a danger, in some people's minds, of "a breakdown of community and social capital. There is a shift away from community gatherings toward media and virtual life." A young woman at a public meeting in Burlington was especially concerned about the implications of technology use by younger Vermonters. She said that she sees people interact with screens, games, cell phones, and other technology rather than with each other. As she put it, "the pendulum needs to swing back the other way. We need to use technology as a means and not an end." In a state where the sense of community is of high value to citizens, Vermonters embrace the tools of technology and communication, but not at the expense of civic life and face-to-face community.

Transportation

Transportation, or the movement of goods, services, and people around Vermont, is a significant topic for Vermonters. Citizens in CFV forums most often spoke of four transportation-related concerns: the cost of fuel; the externalities of fossil-fuel-based transportation; access to public transportation; and the condition of the state's physical transportation infrastructure.

Many Vermonters, like this forum participant in Bristol, expect rapid change in the way we use and think about transportation in the future. "With the price of fuel rising, we may need to look inward more to sustain ourselves – living closer to where we work, and developing a true transportation infrastructure that gives priority to public transportation/ride sharing. We will need to buy more things locally – which will help keep our dollars circulating within our communities."

Transportation Costs

Personal automotive transportation has become indispensable to sustaining rural life in Vermont. Vermonters depend on roads and bridges to move people and goods around the state. And because people primarily use personal automobiles running on fossil fuels, citizens here are sharply affected by changes in global supply and cost of oil worldwide. The cost challenge is both private and public.

The Council's research showed that more than 98 percent of Vermonters ride in personal vehicles on any given day, more than three-quarters of which are single-occupancy vehicles. In 2001, Vermonters averaged a travel distance of thirty-six miles per day. The University of Vermont's Transportation Research Center estimates that the average annual highway vehicle miles traveled per person is around 12,400 miles, significantly higher than the national average of 10,100 miles. (See the Vermont Transportation Energy Report, August 2008). This is the equivalent of traveling the length of the state nearly seventy-seven times. Vermonter's personal transportation accounts for approximately 33 percent of the state's total energy usage, more than the national average of 28 percent.

Moreover, Vehicle Miles Traveled (VMT) by Vermonters increased from 1986 to 2006 at a rate of 1.4 percent annually. The number of registered vehicles in Vermont increased by 2 percent a year in the same time period. Fuel economy standards in vehicles increased only slightly during this period (by 0.4 percent). This means that Vermonters are driving more miles and adding vehicles to the roads while the number of miles they get per gallon has not increased significantly.

Many Vermonters warned the CFV that Vermont and the nation "dodged the bullet" after the energy crisis in the 1970s and that neither lifestyles nor dependence on foreign oil changed significantly. Today's volatile gas prices have prompted many to say that this is Vermont's second chance to change the way they consume energy for transportation. Citizens call for dramatic improvements in efficiency, but even more for the expansion of public transportation systems to meet the diverse and challenging needs of a rural population.

Transportation costs are a major issue for businesses, grocery stores, schools, cities, and towns, as well as for individuals. At the time of the CFV public forums, pump prices for gasoline had risen to over \$4 per gallon in Vermont. These day-to-day costs are a challenge for state government and public services as well. The Council learned that the Vermont State Police, among others, were faced with decisions around



decreased services because of increased gas prices.

In addition to the costs of fossil fuel based transport, Vermonters hold a range of opinions on the certainty and magnitude of a future crisis in the supply of fossil fuels, especially oil. Some believe that the state is at a crisis point, and will see a tremendous shift in the next fifty years in the availability of fuels. This crisis will lead to revolutionary change in transportation systems and land use patterns. Many others told the Council that the state should advance its energy independence and move away from relying on oil that comes from other countries, especially in the Middle East. Others believe that the world is at or near “peak oil,” at which point the amount of petroleum-based fuel produced annually will begin to decline (U.S. oil production peaked in the 1970s). Many are concerned with carbon impacts and global climate change and believe that the state and its citizens have a moral responsibility to limit their emissions of carbon dioxide.

While some contend that Vermont’s small scale means that it has little ability to affect global issues like climate change, many urge Vermonters to do their part and even take leadership to lower vehicular miles traveled or advance new technologies or public transportation solutions. A forum participant in Hinesburg spoke for many arguing that, “There will be a dramatic transportation change. The car culture will end. We will struggle because we aren’t putting in the infrastructure to respond to the end of personal transportation.”

For the individual, the costs of owning and operating a car can be steep. The Council heard from residents on fixed incomes, including many seniors who could no longer drive into town on a regular basis. Young people testified that personal vehicles are more necessary to them growing up in rural areas than if they lived within easy access of subways, buses, and other forms of public transit. But these costs are prohibitive and limit the opportunities young people have to visit, study, work, or recreate beyond their own town.

Public Transportation

The issue of public transportation came up in many different focus groups, for a variety of reasons. Elders at a senior center in St. Albans told the Council that a single bus service would relieve the need for coordination and ride sharing that now occurs for grocery shopping. High School students in Poultney cited the efficient and well-run train systems in other countries as a priority for Vermont infrastructure. An advocate for gay, lesbian, and bi-sexual Vermont teens said that transportation to safe spaces is critically important for young people, especially when they feel isolated in rural areas. In general, Vermont voices were raised in support of a way to finance a dramatic expansion of public transportation in the state – especially routes and systems that served the specific needs of rural communities. A participant from Glover told the Council, “If it is expensive to travel or the cost of individual transportation increases, this can create incentives to find alternatives – car pooling, buses, trains, et cetera.”

Vermont ranks thirty-eighth among the nation’s states in the use of public transportation. The percentage of Vermonters who use public transportation is predictably low due to the state’s rural geography and consequent dependence on individual transportation. While just 0.8 percent of the population uses public transportation, compared to the national average of 4.8 percent, use is increasing in some areas. Bus and train ridership in Vermont has increased significantly in recent years. For example, the Chittenden County Transportation Authority (CCTA) saw an 18 percent rise in ridership from 2004 to 2007. The Green Mountain Transit Agency (GMTA) saw an increase of 37 percent in ridership during the same time period.

In public forums, many Vermonters wanted to see reinvestment in and attention to the state's existing railways as a vital part of public transportation infrastructure. Commuter trains were most commonly referenced, especially by attendees in more heavily populated areas of the state and in areas where trains used to run but no longer do. In 2008 two commuter rail lines served the state. Although many respondents in the CFV process would like to see trains as a part of the future of Vermont's infrastructure, most recognize that there are significant cost and maintenance challenges in bringing the current system up to standards and/or expanding it.

While questioning the 'car culture,' many participants proposed alternative transportation, energy, and infrastructure ideas for the state to ponder. Other types of infrastructure, such as bicycle lanes, multi-modal transportation networks (that emphasize bus, car, trail, walking, and other modes of transport), pedestrian streets and venues, and ride share systems were also suggested in the course of the CFV sessions. Some Vermonters advocated for a network of safe and well marketed bicycle routes throughout the state, and campaigns to promote them for use by commuters and tourists alike.

Transportation Infrastructure

Asked about the most significant challenges ahead for Vermont, one Johnson resident spoke for many by pointing to "crumbling infrastructure: roads, bridges, buildings." "Our infrastructure is old," said a respondent from Manchester.

Whether it's the dirt roads Vermonters live on, the town bridges and culverts they cross, or the water and sewer lines they have to pay for, the state's physical infrastructure undergirds Vermont culture and commerce and requires long-term planning and investment, locally, regionally and statewide. Vermonters recognize the importance of maintaining adequate infrastructure systems: they know that good roads and reliable water and sewer systems allow towns to add new residents and businesses to expand and add new jobs to the economy. They also know that maintaining and improving infrastructure is expensive; many talked about dealing with the costs in town budgets, or through municipal grants.

Vermont has more roads in need of repair than the national average. In 2006, about 25 percent of the miles of Vermont roads were in "mediocre or poor condition," down from about 35 percent in 2000, but

significantly worse than the U.S. average of 17 percent (for comparison, Georgia had 1 percent while New Jersey had 50 percent).

On the other hand, deferred or delayed bridge maintenance has left many bridges in critical and poor condition. According to the U.S. Bureau of Transportation Statistics, about 35 percent of Vermont's bridges (967 of 2,690) are either "structurally deficient" or "functionally obsolete," that is 10 percent higher than the national average. Other U.S. Department of Transportation data show that the percentage of Vermont's bridges that are in poor condition has been decreasing in past years, from 42 percent in 1995 to 35 percent in 2007. Yet the Vermont Department of Transportation states that "decades of deferred maintenance has pushed structure need above annual funding levels" and that the number of bridges judged to be in poor or critical condition by the state decreased only from 462 to 431 from 2000 to 2006.

Vermont pays for its costly and constantly used transportation systems through four primary sources of revenue: fuel taxes, motor vehicle fees, federal highway aid, and a portion of the purchase and use tax, some of which is tapped for General Fund uses. As with many revenue sources, these four have declined in recent years – due in part to the increase of cost of gas, which has reduced driving, as well as fewer vehicle purchases. According to the UVM Transportation Research Center, in 2004 the number of new vehicles purchased was 42,320; in 2007 it was down to 37,079.

The National Highway Trust Fund – the source of nearly all federal highway aid – started the decade with a surplus but is now struggling for resources as well. So, while the structures themselves are deteriorating, sometimes into complete collapse, the funds used to improve them are dwindling. This means that the challenges that face the Vermont transportation infrastructure are increasingly complex and costly. Vermonters recognize this, but still would like to find a creative solution to this major issue.

Transportation infrastructure issues are tied directly to Vermont lifestyles and to the major concerns Vermonters have about community, energy, and economy in the future. A Burlington resident claimed that, "Infrastructure is a huge issue" and called for Vermont to "focus on our existing roads and bridges, existing villages and centers, and figure out our energy future." More observations by Vermonters on the connection between energy and transportation and related issues can be found in the energy chapter.

Other Infrastructure

In municipal settings, the CFV heard about the dwindling resources and aging systems that support Vermont's water supplies, sewage treatment, and storm-water management. During interviews with municipal leaders and organizations such as Vermont League of Cities and Towns and Vermont Downtown Program, speakers emphasized that some infrastructure issues get talked about because they are exciting – such as new railways – while others, such as sewer systems, may not be as thrilling but are just as essential to community development and business growth. One participant told CFV, “But sewage isn’t what we want to talk about.” The role of water and sewer infrastructure, and the major challenge of funding these municipal systems, was occasionally touched on in community discussions, but clearly not in a manner commensurate with their importance; consequently, coverage of these topics here is also less than the subject deserves.

In addition to comments on physical and electronic infrastructure, the Council heard from Vermonters about other infrastructures, specifically those physical buildings and organizational structures that support communities, small businesses, and regional cooperation. Many participants pointed to the infrastructure needed for innovative, local economic development, with comments such as the following:

“We don’t have the infrastructure to capture ideas and make them real. [We] need more structure for that.”

– *Brattleboro*

“The hard realities of the present must be addressed. There is a class struggle. Petroleum will become more expensive. Communities will solve these issues. Infrastructure must be developed on a community or regional basis – communities are best suited to do this.”

– *Grafton*

A Middlesex resident described the web of social, health, civic and educational infrastructure needed for economic progress, pointing to the priorities of “rebuilding social infrastructure: making local democracy more powerful, for example, town meetings; making quality health care a human right; livable wages; and viable local businesses. Also affordable public higher education and job training.”

While these comments and others like them may not relate directly to what most people think of as infrastructure, they reflect the breadth and depth of examination that participants gave the many elements they believe are essential to future job growth, quality of life, and prosperity.

As more Vermonters telecommute, some Vermonters reported, it may be especially important for village centers to be planned around transportation that allows people to interact with one another, preserving the sense of community that is so vital to residents.



Points of Unity

Funding Vermont's infrastructure needs is a major challenge. Bridges in disrepair, inadequate telecommunications services, and rough roads affect the way Vermonters live, commute, and do business. To create a system that fulfills the current needs of Vermonters is a big task; to plan adequately for future needs, especially the transformative needs foreseen by many Vermont residents, can seem impossible.

Research shows that improvements to Vermont's transportation infrastructure are being made, that public transportation ridership is increasing, and that cellular phone service and high-speed internet access have expanded dramatically and usage has increased. These trends in the data, as well as public comments, show that Vermonters are committed to two major priorities: maintaining and improving existing infrastructure, especially those places and areas that are in poor condition, and planning for and designing future infrastructure systems that adapt to new technologies and respond to new conditions in order to keep Vermont businesses, communities, and people healthy, prosperous, and safe into the future.

Vermonters want to see infrastructure built that would improve or preserve the specialness of this place – whether it is bike lanes to keep people healthy, trains to cut carbon emissions, or high-speed internet to allow small local businesses to grow. One Northeast Kingdom participant summarized the balance of needs in a way that reflected much of what the Council heard around the state; to him Vermont must be advancing the “preservation of land and waters, and at the same time improving economic well-being of all Vermonters through energy generation, infrastructure improvement, IT [information technology] infrastructure development.” Vermonters expect infrastructure, like other development, to fit with and serve the character of the state and support its built and natural environment.



Energy



Vermonters today are deeply concerned about the state's energy future. They look to the state for leadership in securing power resources that are as clean, green, renewable, and economical as possible, and they are personally conscientious about energy use. Across the state, the Council on the Future of Vermont heard testimony from Vermonters who wanted to maximize the energy independence of the state and to do what is within their capacity to produce more, consume less, and advance sustainable and affordable long-term energy security.

National and global prices, market volatility, regional electricity needs and sources, and concerns about carbon emissions from fossil fuel use all factor into the long list of challenges that the Council heard on energy. In general, energy can be thought of as the fuels that power a person's daily life – from the

gasoline that is burned in a car engine, to the electricity that lights a house, to the wood, oil, or natural gas used to heat a home. In Vermont, energy use is divided into the categories of transportation, heating, electricity, and business processing, although for most people it is the end services that they focus on.

Vermonters express most concern about energy use, efficiency, and the sources (the fuels) used in the state. Many are interested in finding the most effective and most environmentally benign local solutions for energy generation and have a sense of urgency around the future of energy use related both to cost and long-term reliable sources. A participant from Montpelier told us, "We need a concrete energy strategy and we need policy makers who celebrate and promote that. We should push these innovative models that are here to go worldwide."

Energy Supply and Use

Generally Vermonters think about energy in terms of supply (the sources of energy) and demand (the end uses). The Council heard very few comments about the electrical infrastructure (such as transmission and distribution lines, substations, transformers, etc), and therefore these topics were not explored as priorities of Vermonters.

Vermont's electric supply is different from many other regions of the country because of its reliance on a few major sources of power generation. Overall, Vermont has one of the least carbon-emitting electric portfolios in the country. It relies heavily on power plants outside the state, especially Hydro-Québec, a system of hydroelectric generating facilities in Canada. In 2009, Vermont Yankee (Entergy's nuclear power plant in Vernon) and Hydro-Québec are expected to provide over two-thirds of the state's electricity, but Vermonters are concerned about the uncertainty surrounding this supply in the future. Long-term contracts with both of these power sources are nearing their end and if approved, future contracts are expected to have higher pricing and shorter time periods.

Vermont is highly dependent on oil; some say the state has little control over its energy dependency – that it is “at the end of the pipeline.” The state depends on carbon-based fuel imports for most of its heat and virtually all its transportation needs. Vermont's home heating mix is unusual. Approximately 60 percent of Vermont households use fuel oil to heat their homes compared to 9 percent nationally. Natural gas makes up 12 percent of household heating in Vermont compared to 51 percent nationally. In addition to these sources – all imported fossil fuel – 10 percent is listed as “other,” wood energy being the most important source. In Vermont, 6 percent of all heating and electricity comes from wood, mostly harvested from the state's forests. “What happens to Vermont as oil flow declines? The economy has grown on cheap oil. Oil consumption has grown too... I see Vermont with a much smaller economy,” a participant in Barre told the Council.

Home and commercial heating, not including electrical heating, account for 27 percent of Vermont's total energy use while electricity accounts for 40 percent. For the past ten years, home heating costs have been rising at double-digit rates. Fuel oil prices have been very volatile. In the fall of 2008, they were at triple the rates of 1998, hence many of the conversations in public forums were focused on the costs and challenges of energy use in the future.

Transportation accounts for the last third of Vermont's energy use. Here again, Vermont's

dependence on imported fossil fuels is high even by national standards – due in part to the rural nature of the state, the limited public transportation infrastructure, and the resulting dependency on privately owned automobiles (usually used as single- occupancy vehicles). On any given day, more than 98 percent of Vermonters ride in personal vehicles. In 2001, the average daily distance driven was 36 miles, and more than three-quarters of the vehicle miles traveled by Vermont adults were in single-occupancy vehicles. Vehicles registered in Vermont, vehicle miles traveled, and motor fuel use have all risen in recent decades, while the efficiency (or miles per gallon) of the vehicle fleet has remained about the same for the last twenty years.

Overall, Vermont's energy use over the last forty-five years has steadily increased. While data show that the per capita energy use in Vermont is one of the lowest in the nation, the rate of energy consumption is faster in Vermont than in the United States as a whole. Between 1990 and 2004 total energy demand in Vermont grew by 25 percent and per capita energy demand rose by roughly 13 percent. “Energy consumption [is a challenge]. Decisions made now will have a profound impact on the next generation,” a forum participant in Waitsfield told the Council.

On the electric side, advances in efficiency and conservation have allowed per capita electric consumption to decrease in the last decade, but increases in the number of customers (averaging about 1.5 percent annually for the last twenty years) have added up to a total consumption increase of 11 percent in the past ten years. While Vermont's overall electric use has grown at around 1 percent a year, it is interesting that certain residential, commercial and industrial sectors have recorded reductions in electricity consumption. For example, many businesses switched to energy efficient lighting and advanced motor drives that use less electricity. Residential consumers have moved away from heating homes with electric base-board heat and installed more efficient lighting and appliances.

The data reflect Vermont's leadership commitment to the Efficiency Vermont program and the individual choices that many businesses, households, and families have made towards efficiency and conservation options. The growth in electricity usage comes from new business users and new residents.

Despite the success Vermont has had in lowering per capita electric consumption, population growth and development, along with driving habits, have contributed to a continued growth in carbon emissions; Vermont's total emissions have increased by 2.3 percent annually since 1980.

Local Costs and Global Concerns

There is an implicit agreement in much of the public testimony that Vermonters would like to have expanded options for the state energy sources, options that include renewable and local sources. The increased urgency for action that Vermonters feel about energy today relates first to the rising personal costs, which will be addressed later in this chapter. Other concerns, such as carbon footprint and Vermont's impact on global climate change, terrorism, and political instability in the global energy economy, also come into play when Vermonters talked about energy use in the future.

Many Vermonters testified to the Council that the costs of energy for businesses, heating, electricity and transportation are becoming unbearable. Some Vermonters also express the desire to develop local in-state energy production to reduce dependence on external sources, especially Middle Eastern oil, and would pay more in the short term to do so. Still others believe that Vermont's economy is best served by the purchase of the most affordable power in the marketplace today.

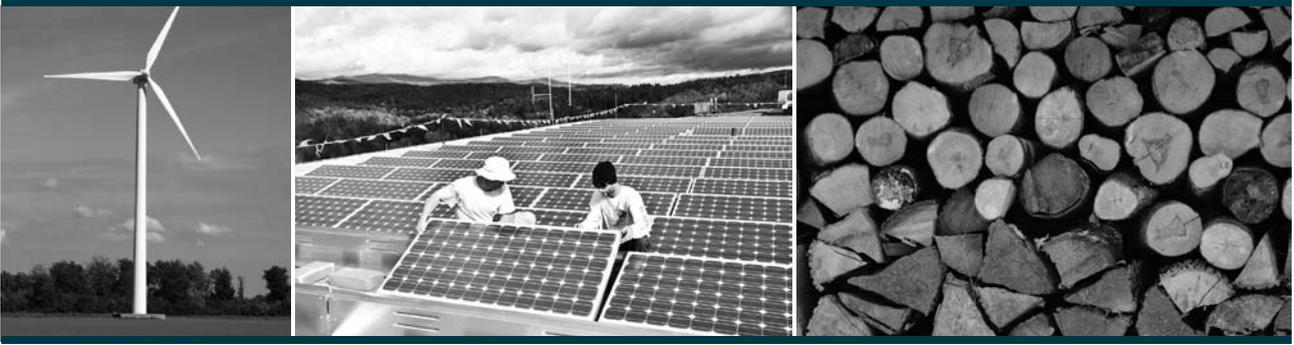
The range of testimony the Council heard indicates that while many people and businesses would look for the lowest-cost options for future energy sources, they would also like to see the state be as energy independent as possible, producing within Vermont as much as possible of what is needed here and they share values around promoting carbon neutrality and advancing a clean and renewable energy portfolio.

It is interesting that Vermonters did not scrutinize energy use for transportation with the same intensity as they did for other uses. Research shows that the collective behavior of Vermonters reflects this omission. Vermonters are acquiring more vehicles, and the number of vehicle miles traveled on roads and highways has been increasing each year. While energy independence was a general theme in public forums, increased use of personal vehicles has added to Vermont's dependence on petroleum-based fossil fuels and increased its carbon footprint. Public debates center on electric and heating needs, but neglect the fundamental dependence on imported oil for transportation. Transportation efficiency, public transportation, conservation, and personal behavior receive relatively short shrift.

Challenges and Threats

Many Vermonters expressed what they saw as the core challenges to the management of future use and supply of energy for the state. Those concerns are summarized here:

- One of the most imposing challenges is the fact that much of the energy-related public discussion is often based on projections and conjecture.
- There is a challenge that Vermont's largest electric contracts are terminating between 2012 and 2015.
- There's a challenge in developing opportunities for bio-fuels from forest and agricultural crops that could boost the state's natural resource economy for the future.
- There is a challenging debate around the merits of locally owned or commercially owned electrical generation projects. Many Vermonters support the concept of distributed generation but dislike the idea of generating power (with windmills or wood burning plants, for example) that would contribute through the grid to the state's energy, or to the grid outside the state, without meeting the needs of local consumers. Others would like to see Vermont focus on generating power for in-state use, not as an export economy. Vermonters seem to share rational fears of regional grid and market-based fluctuations in prices for both electricity and fuels.
- Others think local ownership and local control are unrealistic, unnecessary, or even irrelevant distractions.
- Many Vermonters claim that there is a disjunction between social goals, like clean energy development, and the sometimes outdated regulatory frameworks that seem to impede them. Many complain about the challenge and costs of siting even small wind turbines or micro hydro systems.
- Vermonters have very different views about whether there is an 'energy crisis' and about the long term challenge of energy independence and *sustainability*. This means that while some people emphasize low cost power and low gas prices, others want to see community owned projects which have a local benefit or advance sustainable solutions for the long term, but may cost more in the short term to individuals and businesses.



- As with the land use development discussion, Vermonters are also clear that energy development should not damage natural resources by their use beyond their sustainable replacement for fuels, heat, or electric generation.

One of the major issues around energy is the fact that large-scale energy projects have powerful impacts on local areas. Some residents object to the impact on the view of the landscape from their homes or property, on the health and safety of their communities, and on their overall quality of life. The Council heard from advocates for and against the renewal of a contract with the nuclear power plant, Vermont Yankee, as well as many in Sheffield and Barton who are passionate in their concern about the impacts of a major wind development on their small communities and peaceful rural setting. Others commented that since all energy development has its costs, their fellow citizens need to look at those sources and perhaps be more open to sites that are most beneficial for the state as a whole.

The development of in-state power plants in Vermont is directly tied to the amount of electricity used in industrial, commercial, and housing development. Development of power plants also has significant effects on the environment, and some argue there are social effects as well. Energy is therefore connected to some of the most contentious debates in the state – what to do with land and how to promote development that reflects Vermont’s scale and ideals. Many Vermonters call for a strategic long-term plan that would give high priority to an energy portfolio that is reliable, low-cost, and diverse, and therefore less susceptible to global market volatility.

Affordability

In a time when the state is seeking to attract, retain, and develop employers who can pay good wages, energy costs can be a deciding factor for businesses that might locate here or look to expand or start a business here. Energy costs are of major significance to leading manufacturers, employers like IBM or Ethan Allen Furniture, and businesses ranging from commercial offices to dairy farms. Lead employers are concerned that Vermont must find affordable and reliable sources of power, often including Hydro-Quebec and Vermont Yankee in that mix. They emphasize the point that without bottom-line affordability Vermont will not have a working economy.

On the other hand, Vermonters talk about affordability as the challenge that they have on a day-to-day basis, to heat their homes, drive to work, purchase medicine, or pay for their insurance. In the Council on the Future of Vermont poll, Vermonters ranked affordability, defined as, “The increased costs of living, such as transportation, heating, and electricity,” as the issue that they are most concerned about (with 96.1 percent of Vermonters Moderately or Very Concerned). “If we can reduce the cost of energy,” said a resident in Bennington, “A little inconvenience is nothing.”

Rising fuel costs occurring at the time of the CFV forums were clearly upsetting family finances and budgets and limiting residents’ ability to make ends meet. Several forum attendees pointed out that people with low incomes often need to travel further to work and are more vulnerable when transportation and heating costs go up. It is also harder for them to afford the energy savings obtainable by purchasing new, efficient appliances or investing in home improvements. Vermonters live in housing stock that, on average, is some of the oldest in the country and was built in a time of cheap energy. Many worry that energy costs to heat and power their homes could exceed their mortgage payments.

Vermonters wrestle with finding the right balance of costs and benefits among options of affordability, the development of efficiency, and the investment in clean, renewable, in-state power. Part of the challenge with that balance is that the cost effectiveness of many small-scale renewables is marginal at best when oil and electricity prices are low. Some green strategies are not market-ready, and others do not have the same return on investment as existing petroleum products or contracted electricity. Renewable generation that is not competitive without subsidies carries costs that are borne by consumers. Yet all energy sources have embedded costs, whether they are costs to the environment from carbon in the atmosphere or from managing nuclear wastes, and these costs can be hard to quantify into simple cost-benefit equations.

To many Vermonters, the energy crisis is the quiet foundation of the affordability dilemma – people commuting long distances to jobs that don't pay livable wages, living in older housing and struggling to pay for heat, and trying to balance the costs of transportation fuels to fit a budget that covers all their other needs.

Some cite energy costs and emphasize the need for inexpensive power from Hydro-Québec and the relicensing of Vermont Yankee nuclear plant or proposed future nuclear plant development. Many do not believe that energy independence is at all realistic. Although there are green and local electricity programs available from Vermont's major utilities, many consumers have not elected to use them because of their higher costs.

At the same time, Vermonters today talk of building new jobs in the state by expanding the state's energy independence, advancing efficiency, building small-scale solar, micro-hydro, and other renewable electric systems and municipal district heating, combined heat and power systems, and developing Vermont farm and forest-derived biofuels. For these citizens, energy development could be a key to growing Vermont's green economy and all that it could mean for the future prosperity of the state.

Many Vermonters would like to see small-scale, local, household and community-based systems become commonplace throughout Vermont. They believe that supporting energy innovation with public and private investment can build businesses and jobs in the energy

field. They call on Vermont to be a leader, often citing that the state has a strong set of innovators and entrepreneurs but does not celebrate them as it could. Some commentators see these small innovative businesses as key to Vermont's future success. As one forum participant put it, they "fit the brand and small business reality and can grow, adding significantly to jobs and the economy."

Energy Crisis

Throughout Vermont, participants at public forums expressed a range of opinions about how important it is for the future of the state to make energy a high-priority issue.

Some Vermonters believe that the world has passed the time of cheap oil and that the availability of further fuel resources and oil production is limited. This idea, coupled with the long-term trend of ever increasing energy consumption, has some Vermonters talking about a major crisis, globally and locally. A Franklin County forum participant noted that many Vermonters today are speaking from an "apocalyptic vision." The Council heard from some people who believe that the energy situation is one that will threaten either the basic survival of the species or the continuance of civil society. More often, however, concerns were about change and adaptation, and were

paired with practical statements on how the state and local residents could adapt. Most forum participants seemed to agree on how challenging the energy situation ahead is, but saw it as less than disastrous. At the same time, most participants held the opinion that, even if the state does not face catastrophic change, renewable energy development can dramatically benefit communities and the economy. "How will we function in a world that is energy starved? How will we get from place to place and get goods," a participant in Warren asked.

Many Vermonters believe that the rise in oil prices and the instability of global markets, along with the science behind global climate change, mean that Vermont, the U.S., and the world face a fundamental transition in energy use and development that may entail drastic life-style changes for people everywhere.

"Energy education is a priority – right now people aren't sure what they should do or how they should do it. But we need to change the bigger attitude and make it the Vermont way to not create waste."



A Barre resident claimed that, “We are in a different world than we have been.” At several forums participants framed one or another form of the argument that “the car culture will end.” In Hinesburg, a participant argued that, “We are not wired to react until there is a crisis,” but it’s here and it will be, “a civilization changing event.”

Many people throughout Vermont reminded the Council about the energy crisis of the early 1970s and stated that Vermonters as a people should have responded more systematically to that crisis. Some say that because no major changes have been made, the coming crisis will be more severe, and instead of a smooth transition to a post-oil economy Vermont will see a major disruption and economic crisis. To some, “peak oil” will mean the decline of the “American Dream” of increasing levels of consumption in each generation. Built on what they see as an unsustainable consumption of resources, the dream depends on infinite petroleum resources and cheap transport of inexpensive goods. To some, that dream is already over, as one forum participant said, “we are in debt over our heads and it is just a matter of time before the world won’t tolerate our debt and cheap industrial production model.” In Manchester, a resident added, “Energy education is a priority – right now people aren’t sure what they should do or how they should do it. But we need to change the bigger attitude and make it the Vermont way to not create waste.”

Leadership

Vermonters are impassioned about energy. The state’s cold northern climate, and the fact that the state lacks petroleum or comparable fuels that can be mined or drilled, makes Vermont vulnerable to price fluctuations and uncertainties in the regional and global marketplace. It has also prompted hard soul searching. Many Vermonters see a huge opportunity for Vermont to do something new and innovative in clean energy because of the size and scale of the state. Its sun, wind, water, farm, and forest resources are seen as key components of the solution. While many believe that Vermont is facing an energy crisis, both today and in the future, they think that Vermonters have an historic opportunity to come together and to lead on this front.

There was a common perception that Vermont’s ‘green’ brand should be used to help initiate work in renewable energy. A St. Albans resident claimed that Vermont’s brand is unique and the state could be a clean energy model, “if we get less confused about whether we want to be New Jersey or we want to be Vermont.” A Hinesburg resident echoed that argument, affirming that in relation to energy, “Vermont doesn’t appear to

walk the talk of what it supposedly stands for.” Many celebrate the leadership Vermont has taken with the Efficiency Vermont program, but, as one Vermonter put it, “now other states are passing us by.”

Sustainability

Many Vermonters believe that residents of the state are in a great position to pro-actively advance state, regional, and local energy solutions that are not petroleum based. Some call for local and regional control of energy generation and envision a dramatic expansion of energy developed at the local level, or “distributed energy.” They suggest that household solar, wind, and other systems would contribute to the grid. Local and regional projects would interweave to produce a resilient grid whose economic benefits, along with sources, would be distributed locally. An elder in Middlebury encouraged the Council to see the energy situation as an opportunity, one where, to quote an old saying, “Necessity is the mother of invention.” A Grafton resident spoke of how traditional Vermont values of “self reliance” and “local production” make Vermont a place where a person can talk about energy independence and “people don’t look at you as if you had three eyes!”

Sustainability, however, means different things to different people. Some Vermonters believe the sustainable way to develop energy is to include ridge-top large-scale wind turbines. Others reject the “industrialization of Vermont’s ridgelines” as a destructive action that will entail corporate control of the rural environment and that unfairly asks for sacrifices from poorer and more isolated rural communities to serve more urban markets.

Similarly, to some, nuclear plant development could provide low cost, long-term power that could serve as the foundation for future economic development. Most Vermonters the Council heard from view that power as suspect, however, like the Addison County resident who claimed that people have been “seduced by wanting to have cheap electricity” into a bad bargain with Vermont Yankee, believing that time is raising the stakes toward a catastrophic accident at the aging nuclear plant.

Many Vermonters want the state to be looking ahead to challenges around the future decline of the oil economy and the fact that Vermont will need to rely less on carbon-based fuels. They call for expanding local food production to meet local needs, and increasing local commerce and local energy development. They ask big questions, such as “If running out of oil will dramatically affect all our lives, what is the population that the state can sustain?”

Many forum participants called for Vermont to move forward in ways that follow the state's history of innovation. They see an opportunity to advance new public transportation systems, build Vermont's bio-fuel economy, and dramatically expand in-state electric generation. They see the need to develop green collar jobs, to advance Vermont's economy in a new direction." Others see a huge opportunity for investment in new technology and a new local energy system if Vermonters can stop exporting dollars for oil: "It's the capital that is missing. Stop financing oil. Use that money for alternative energy!" Several praised the success of the CVPS "Cow Power" program that invests in helping farmers develop methane digesters to convert manure to electricity. Others cite the advance of recycling, the bag refunds at supermarkets, the light bulb exchange programs led by volunteers at the community level – all signs that Vermont communities can take leadership in advancing energy and efficiency solutions.

These dynamic ideas add up to a vision that, while it may not be universal, is held by many Vermonters today – of Vermont serving as a center of a green/sustainable economy. Some call for Vermont to target green entrepreneurs internationally and attract even more "green intellectual capital" to the state.

The optimism of many who think about sustainability is tempered by the tremendous challenge of reducing the world economy's dependence on carbon fuels. It could be said that the coal, oil, gas, and other carbon-based fuels are the sequestered sum of three billion years of solar energy captured by life on earth. To capture similar amounts of energy in a much more compressed time frame is a formidable challenge. Many who attended forums believe it cannot be done, and Vermonters will need to face the fact that there will be a diminished capacity for energy usage in the future. To paraphrase a speaker from the Northeast Kingdom, technology is not energy and technology will not build an unlimited energy source – all will have a cost. To him, "we will need to live with a sense of limits, and change our lifestyles, built environment, and pastimes to successfully adapt." A Burlington resident posited the, "unpopular message" that, "we can be happier and do more with less."

"...we will need to live with a sense of limits, and change our lifestyles, built environment, and pastimes to successfully adapt."



Opportunities

Despite all the challenges, many Vermonters shared remarkable energy and optimism for the future with the Council on the Future of Vermont. They believe that Vermont can succeed in developing innovative ideas, such as energy green zones, and can take advantage of Vermont's green brand to attract and develop a new wave of entrepreneurs. Many see the idea of focusing on green energy and green development as a cornerstone strategy to advance Vermont's sustainability and prosperity into the future. Many participants pointed out that Vermont's scale, local values, openness to change, and creativity make it well situated to try new things, experiment with new energy projects, explore district heat or community wind projects. Here, as in so many areas, Vermonters see the state as situated to test new ideas and serve as a laboratory for community and business development.

There is a real excitement around energy opportunities in Vermont today. The state has embraced a "25 x 25" strategy aimed at achieving one quarter of the state's energy needs from in-state renewable resources by the year 2025. Leading businesses like NRG and groSolar are among the fastest growing enterprises in Vermont. Over sixty towns have built municipal energy committees to explore practical ways to advance efficiency and consider long-term conservation and energy development projects. Towns are seeking to attract pellet manufacturers, evaluating the feasibility of combined heat and power projects for their downtowns, expanding bio-fuel purchases, and purchasing more efficient vehicle fleets. Schools in Vermont have invested in wood heating systems. Meanwhile, in line with Vermont's dynamic civic culture, diverse community groups for "buy local," "peak oil," or "sustainability" have formed in every county in the state.

Everywhere, creative businesses like the Vermont Soap Company in Middlebury or Stark Mountain Woodworking in New Haven are designing ways to use less energy, to heat their shops with alternative and renewable fuels, and to explore potentials like co-generation which combines heat and electric generating

systems so that they meet their own needs and support their bottom line. National Life of Vermont has invested in what may be the state's largest solar array to date. Green Mountain Coffee Roasters is undertaking a similarly scaled solar project. Farmers throughout Vermont are investigating efficiencies and developing energy generation capacity through manure and/or crop digesters, and exploring potential new sources of energy, like algae as a source for bio-fuels. To support these varied projects, Vermont has dramatically expanded "net metering" where individuals and businesses can produce their own power and export excess into the grid.

Many point out that the initial investments for energy efficiency and development projects are often high. Insulating and retrofitting homes or investing in solar panels or a household wind turbine are hard consumer decisions; while there is a lifespan return that make some of them reasonable investments, many believe that state and federal incentives can and should encourage decisions to make such investments by consumers, businesses, and homeowners.

Incentives for efficiency and energy development could also help lure new entrepreneurs here. Several participants in CFV sessions pointed to this activity and green economic development in general as Vermont's answer to the loss of youth – some believe that if Vermont builds momentum in the energy sector, youth will come here to "follow the action."

scale, its communities, and its global footprint; they are searching for ways to manage this. Public testimony about increasing energy independence and expanding local production connects to widely held concerns for an affordable and sustainable future, in the short term and for the next generation.

If energy is a long-term driver of affordability and sustainability, one Hinesburg resident affirms, "we need to realize this to invest in the best way!" Others assert that, although Vermonters need to deal with the immediate human needs of heat for next winter – the short-term crisis – Vermont needs to concentrate on long-term strategic answers to what many see as a generational challenge.

Vermonters would like to see the state make greater use of the state's close-to home, renewable, and sustainable energy options and lessen dependence on imported fuels and electric sources whose embedded environmental and political costs must be included in responsible decision-making here in Vermont. They hope that the people of Vermont can work together to advance efficiency, energy independence, and clean, renewable, and to the extent possible, local power. They would like future energy to be as affordable as possible consistent with the protection of the environment. One participant in Brattleboro called the energy challenge a pivotal opportunity, which Vermont can meet with confidence, if Vermonters come together around a new ecological and economic sense of purpose.

Common Points



The availability of an adequate and reliable supply of energy of all forms is crucial to the state's future. Despite the range of opinions about energy and Vermont's current and future usage and sources, Vermonters are united in support of making optimal use of the sustainable resources that are available.

When it comes to energy a groundswell in public opinion suggests that Vermonters would like to see energy sources be close to home and may be willing to make sacrifices toward this goal.

Vermonters also acknowledge that there is an increasing share of family budgets leaving Vermont homes, leaving the state, and even leaving the country. Vermonters want to be cost effective when it comes to energy. People are concerned about the impact that energy uses and sources can have on the state's