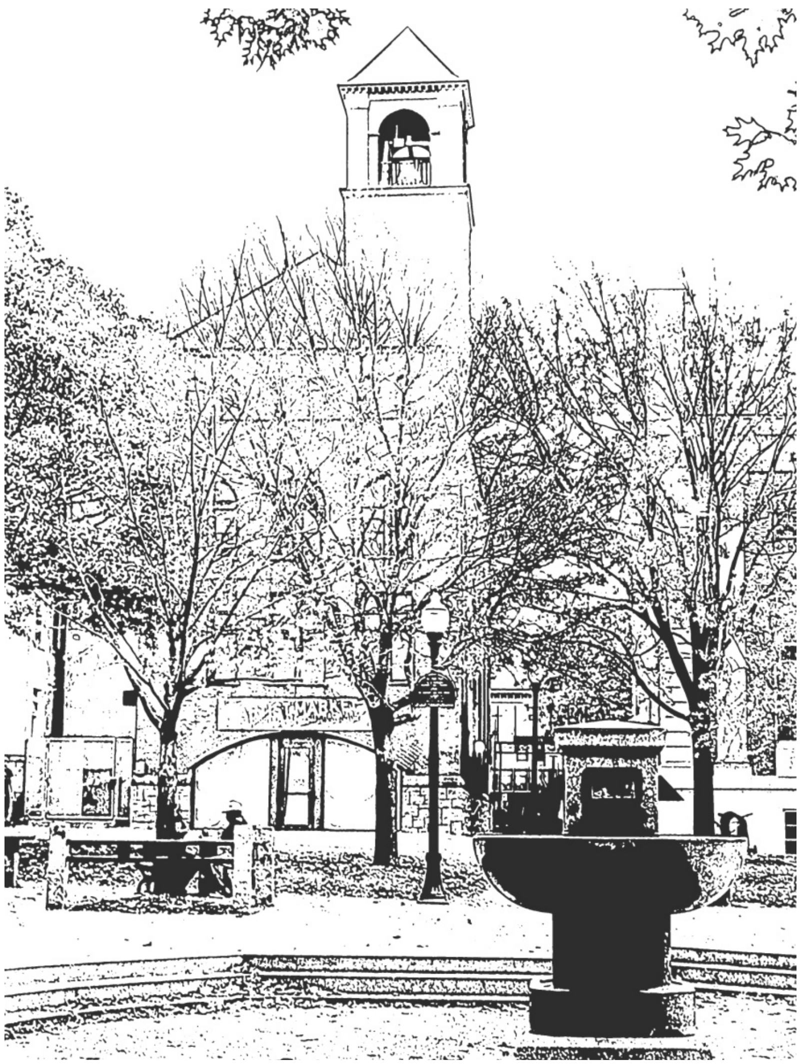
JOBS AND PEOPLE IV:
TOWARDS A SUSTAINABLE ECONOMY
2010 UPDATE

A REPORT TO:
THE COMMUNITY AND ECONOMIC DEVELOPMENT OFFICE
CITY OF BURLINGTON, VERMONT



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This report was made possible through the collaborative efforts of many people. Bruce Seifer coordinated the efforts to create this update. Nancy Brooks at Cornell University, with research assistance by Garret Halbach, is responsible for the majority of the updated data in this report. Alison Flint, former CEDO intern, contributed analysis, organization, and new material. Thank you to Ed Antczak and Jon Adams-Kollitz for helpful comments on content and formatting, and to Denise Girard for formatting and publication assistance.

A wide variety of sources were used in collecting the economic data needed to create this report. These include the US Census Bureau's Census Reports from 1970-2000 and the American Community Survey 2006-2008, the US Small Business Administration, Bureau of Economic Analysis, the Internal Revenue Service, the Urban Institute's National Center for Charitable Statistics, the VT Department of Taxes, the Vermont Department of Labor Economic and Labor Statistics Office, the Vermont Department of Health, and Allen and Brooks.

Contents

Introduction

There have been four Jobs and People Reports written since 1984 that examine the Burlington and Chittenden County economies in the context of state and national data. This is an update to the fourth report which was published in April 2010. It includes updated trends in employment, demographics, earnings, key industries, and other measures of the local economy.

Much of the information in this report comes from the Census Bureau's American Community Survey's 2006-2008 estimates and the Vermont Department of Labor, and is the most recent data available. While it is important to understand our current economic situation, this document primarily focuses on presenting longer-term trends that will influence the region. The goal of this report is to help inform discussions about policy solutions in the coming years as well as to assist in long-term economic strategic planning.

This report has been redesigned to better incorporate the CEDO Framework for Economic Development Priorities and Strategies presented in Jobs and People IV. While the previous edition focused on describing the Burlington and Chittenden County regional economies, this report is organized thematically, providing data to assist with measuring outcomes affiliated with CEDO's economic development goals and strategies.

The Jobs and People IV Update is divided into seven sections. Updated sections include data on Employment, Burlington Demographics, Wages and Income, and Employment by Occupations and Industries. Three sections also include new metrics and statistics. A section on the Downtown and Business Districts provides information on tax revenues and vacancy rates in different parts of the city compared to Chittenden County. As one of CEDO's key priorities is to support local businesses, another section contains information about self-employment rates and firm size distribution. Finally, as a significant portion of Burlington workers are not employed in the private sector, the Non-Profit and Government Employment section provides a more detailed breakdown of employment in these areas.

Economic Development Goals

CEDO's Economic Development Goals, first included in the 2003 Consolidated Plan and approved by the City Council, guide the development of individual strategies and form a solid framework for the recommendations outlined in *Jobs & People IV: Towards a Sustainable Economy*. The City's eleven Economic Development Goals include:

1. The quality of life in Burlington is enhanced by a strong, diverse, and vital downtown

2. Burlington's waterfront is developed as a cultural, recreational, social and economic resource for the entire community through the implementation of the Urban Renewal Plan for the Waterfront Revitalization District

3. Businesses that offer essential goods and services are located within the City, readily available to all residents

4. The startup and expansion of businesses are nurtured, including the support of a readily accessible core of centrally located business services

5. Burlington's 200+ acre agricultural breadbasket – home to market farming, community supported agriculture, community gardens, farmer training, and composting thrives

6. Burlington continues to generate a strong, diverse base of locally-owned enterprises

7. Sites with real or perceived contamination issues are developed into productive use

8. Quality employment supports and opportunities are available for those who are traditionally underserved, and workers are earning a livable wage

9. Transportation needs are addressed, traffic congestion reduced, access in and around downtown improved and greater use of alternative modes of transportation promoted

10. Burlington's competitive advantages are maximized by supporting the development of targeted industries, including tourism, telecommunications-intensive businesses and the environmental technology industry, financial services, specialty foods, media, printing and publishing, the arts, and sustainable natural resource promotion

11. New cooperative relationships are developed between the City and other communities in the region to strengthen the regional economy for the benefit of all

Economic Development Policy Principles

The Economic Development Policy Principles, contained in the *2006 Municipal Development Plan*, which guide the development of our strategic programming efforts, include:

1. Nurture sustainable development to provide for the city and its residents over the long term

2. Promote and strengthen a mixed economy, and work actively to retain existing businesses and jobs

3. Promote and support locally-owned and controlled small businesses including home occupations appropriate to the character of the neighborhood

4. Partner with the private, non-profit, and other government sectors to support existing businesses, attract future development, and conduct joint marketing

5. Invest in the necessary public improvements, particularly transportation, to strengthen the Downtown, both as a Regional Growth Center, and as a city neighborhood

6. Work with neighboring communities, regional agencies, and state government to promote land use and development policies that support Burlington's role as the Regional Growth Center

7. Support sustainable development activities in target areas of the city including the Enterprise Community, Neighborhood Activity Centers, the Pine Street Corridor, Downtown, and the Downtown Waterfront

8. Focus technical assistance, marketing and recruitment for economic development towards target industries

Executive Summary

This section provides a summary of some of the key findings of the updated Jobs and People Report.

Employment

- Total employment in Burlington has increased 5% since 2000, and private employment has increased 2%. This compares favorably to employment growth in Chittenden County and Vermont, which has been close to flat or has declined during this period.
- Unemployment increased throughout the country following the most recent recession, although the recession had a limited effect on Burlington. From 2007 to 2009, the unemployment rate increased 2.9 percentage points in Burlington, compared to 3.9 percentage points in New England and 4.7 percentage points in the rest of the country. As of August 2010, the unemployment rate in Burlington was only 5.2%, and the Burlington-South Burlington Metro Area rate was 4.9%--the 7th lowest of 372 metropolitan regions.
- Compared to the US and Chittenden County, unemployed individuals in Burlington are relatively young. There are more unemployed individuals under the age of 25; and since 1990, the number of unemployed individuals aged 16-19 has more than doubled.

Burlington Residents and Workforce

- Burlington appears increasingly stable in the last decade. There has been very little population growth, and growth rates in Chittenden County and Vermont have also slowed. Burlington's population continues to age gradually, with more 45-54 year old residents and fewer 20-29 year old residents since 2000.
- Measures of racial and ethnic diversity have been steady since 2000, after increasing significantly from 1980 to 2000. Between 2000 and 2007, the Hispanic and Latino population as well as the Black or African American population grew; however, the Asian American Indian and Multi-racial population fell.
- Individual poverty rates in Burlington increased from 16.8% in 1989 to 22.5% in 2008. Nationally, the individual poverty rate increased from 12.8% in 1989 to 13.2% in 2008. Poverty rates for Burlington families have increased more than thirty percent from 10.4% in 1999 to 13.8% in 2008, compared to a national increase of only five percent. Students may contribute to the relatively high individual poverty rate, but the high percentage of families in poverty suggests that more research is needed on this issue.

Income and Wages

- While real per capita income has gradually increased in Chittenden County and throughout Vermont, per capital income fell in Burlington from 2000 to 2008. This figure may be affected by the student population, which has increased in Burlington since 1999, but decreased in the rest of Chittenden County.
- However, when looking at average annual wages by town (which look at the employed population rather than all residents) Burlington has the second highest average annual wages in the county. Essex has the highest average annual wages, which is most likely because of employment at IBM.
- Over the past decade, the financial sector has seen the greatest increase in real average annual wages, growing close to 30%. The sector is followed by professional and business services, education and health, government, and agriculture and forestry, all showing increases of 10-15%. Construction, manufacturing, utilities, and information all saw moderate increases of 2-5%. On the other hand, retail and transportation wages fell, as did wages for individuals in the arts, entertainment, and recreation industry.

Employment by Occupation and Industry

- Over the last decade in Burlington, there has been a substantial increase in the service sector. Government and health care and social assistance jobs now make up nearly 50% of all jobs in Burlington and are the primary export sectors. Arts, entertainment and recreation has also continued to increase its share, although at a slower rate than from 1990-2000.
- Women dominate in the service sector by more than 10 percentage points as well as in sales and office, managerial, professional, and related occupations; however, men hold the majority of farming, construction, and production positions. In terms of industries, more women are employed in education, health and social services, although men have an edge in manufacturing, construction, wholesale trade, and professional, scientific, management, and administration.

Downtown and Business Districts

- Burlington has gradually declined in the percentage of total Chittenden County sales tax revenues it receives. While Room and Meals Tax revenues have gradually increased over the past decade, Burlington's tax revenues as a percentage of Chittenden County's tax revenues have also fluctuated and are lower than they were in 2001.
- Vacancy rates have increased from December of 2009 to June of 2010. Burlington rates are below vacancy rates for the rest of Chittenden County.

Entrepreneurship and Small Business

- While self-employment income has fluctuated, it has generally followed a similar pattern over the last decade. As of 2008, levels were similar to what they were during the early 1990's and 2000's.
- The Burlington-South Burlington Metropolitan Area has substantially more firms employing 500 or more people as a proportion of total firms than at the state or national level; however, it has relatively fewer individuals who are employed by firms with 500 or more people than at the national level. The Metro Area also has relatively fewer firms with zero to four employees than at the state or national level.

Non-Profit and Government Employment

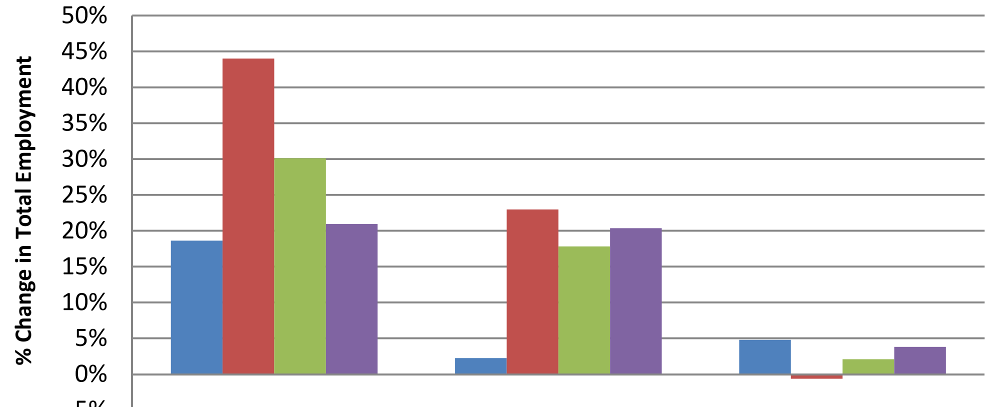
- Chittenden County and Vermont have substantially more non-profit organizations per capita than the nation as a whole. At the county level, a gap has been increasing steadily since 1995 with growth rates at times nearly double those of the rest of the country.
- The majority of major Burlington non-profit employers are involved in education, health care, or social services. These organizations play an important employment role in the community, in addition to the services they provide.
- As of the first quarter of 2010, 65% of government employment in Burlington was at the state level, 25% was at the local level, and 10% was at the federal level. These percentages have changed significantly since 1990. Local and state employment has increased by about thirty percent while federal employment has fallen by about thirty percent, although it has rebounded some since 2005.

1 EMPLOYMENT

1 Employment

1.1 Aggregate Employment

Total employment in Burlington has increased 5% since 2000, and private employment has increased 2%. This compares favorably to employment growth in Chittenden County and Vermont, which has been close to flat or has declined during this period. Private employment growth in Burlington is slightly lower than national employment growth, although overall growth is higher. This is a positive sign after Burlington's employment growth was lower than county, state and national rates in the 1980s and 1990s. However, as in Chittenden County and Vermont, much of the growth that did occur in the past decade came from the public sector.



	1980-1990	1990-2000	2000-2008
Burlington	19%	2%	5%
Chittenden County	44%	23%	-1%
Vermont	30%	18%	2%
U.S.	21%	20%	4%

Sources: Vermont, Chittenden County, Burlington: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; United States: Bureau of Labor Statistics Data, Total Nonfarm Employment- Not Seasonally Adjusted

Total and Private Employment:
Burlington, Chittenden County, Vermont, US, 1980-2008

Sources: Vermont, Chittenden County, Burlington: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; United States: Bureau of Labor Statistics Data, Total Nonfarm Employment- Not Seasonally Adjusted, Total Private Employment

Burlington		
	Total	Private
1980	25,966	20,208
1990	30,801	24,082
2000	31,493	24,653
2008	32,998	25,042
% Inc. 1980-2000	19%	19%
% Inc. 1990-2000	2%	2%
% Inc. 2000-2008	5%	2%

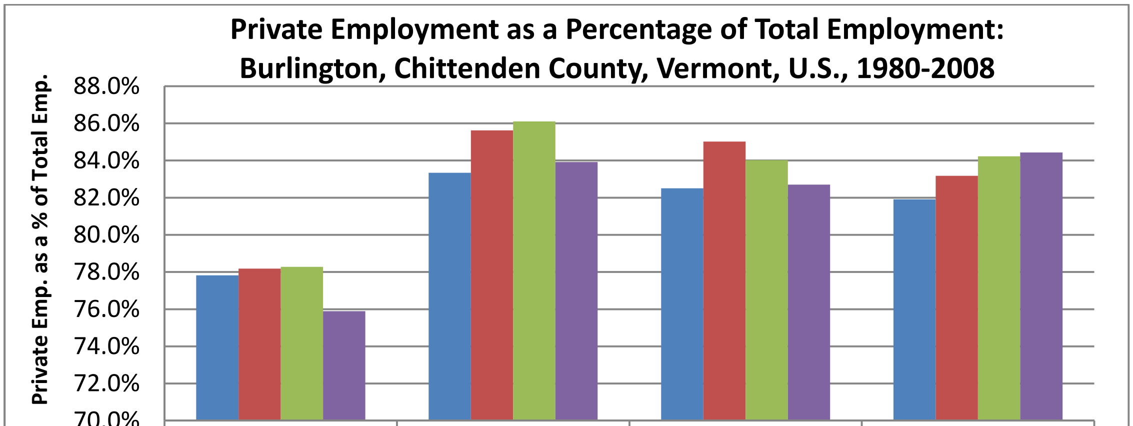
Vermont		
	Total	Private
1980	193,412	159,571
1990	251,658	213,950
2000	296,468	249,100
2008	302,648	250,295
% Inc. 1980-2000	30%	34%
% Inc. 1990-2000	18%	16%
% Inc. 2000-2008	2%	0%

Chittenden County		
	Total	Private
1980	53,849	44,879
1990	77,548	66,401
2000	95,354	82,107
2008	94,750	79,512
% Inc. 1980-2000	44%	48%
% Inc. 1990-2000	23%	24%
% Inc. 2000-2008	-1%	-3%

U.S. (in 1000s)		
	Total	Private
1980	90,528	74,154
1990	109,487	91,072
2000	131,785	110,996
2008	136,790	115,497
% Inc. 1980-2000	21%	23%
% Inc. 1990-2000	20%	22%
% Inc. 2000-2008	4%	4%

1.2 Private Employment

Private employment growth as a percentage of total employment has fallen throughout Vermont since 2000. Nationally, 84 % of jobs are in the private sector, a percentage which has remained steady since 2000. In Vermont, this has gone down 1.3 percentage points to 82.7%, and in Chittenden County, this fell 2.2 percentage points to 83.9%. However, the biggest difference came from Burlington, where the value fell 2.4 percentage points to 75.9%, indicating that public-sector employment plays a particularly important (and increasing) role in Burlington's economy.

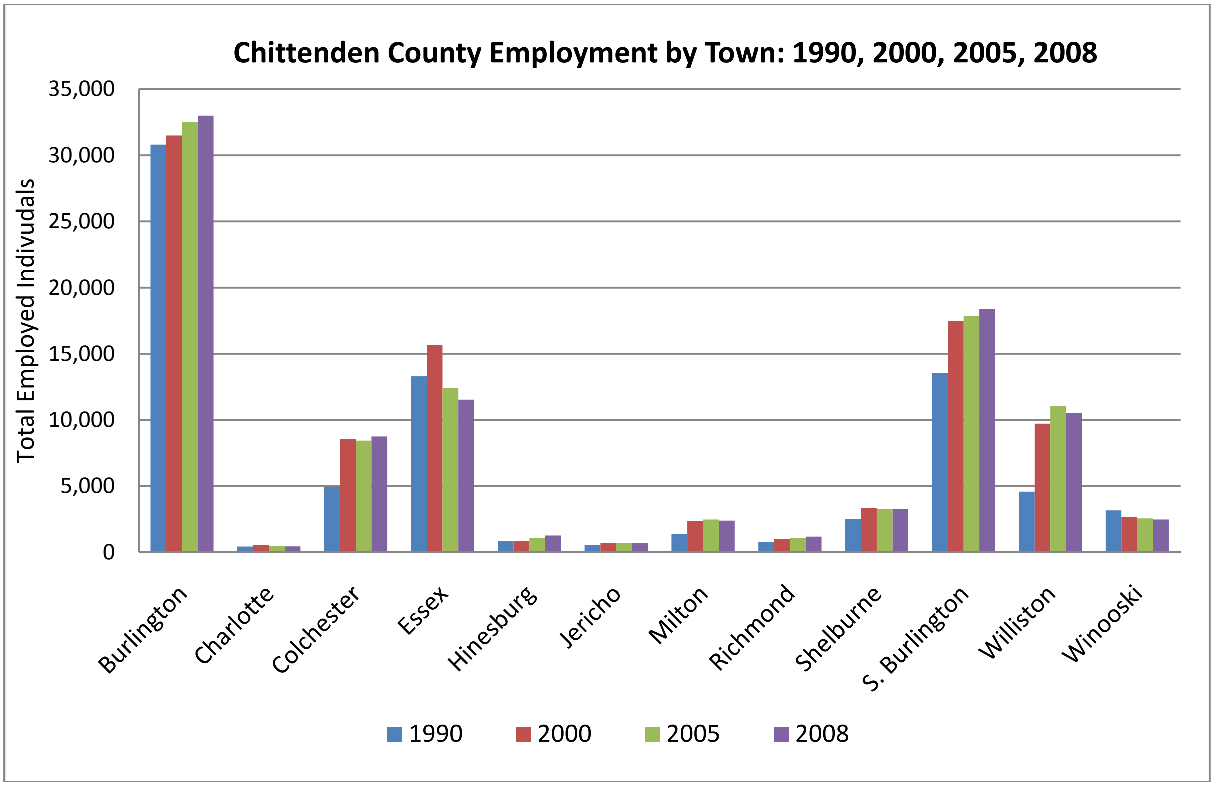


	Burlington	Chittenden	Vermont	US
1980	77.8%	83.3%	82.5%	81.9%
1990	78.2%	85.6%	85.0%	83.2%
2000	78.3%	86.1%	84.0%	84.2%
2008	75.9%	83.9%	82.7%	84.4%

Sources: Vermont, Chittenden County, Burlington: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; United States: Bureau of Labor Statistics Data, Total Private Employment

1.3 Employment by Town

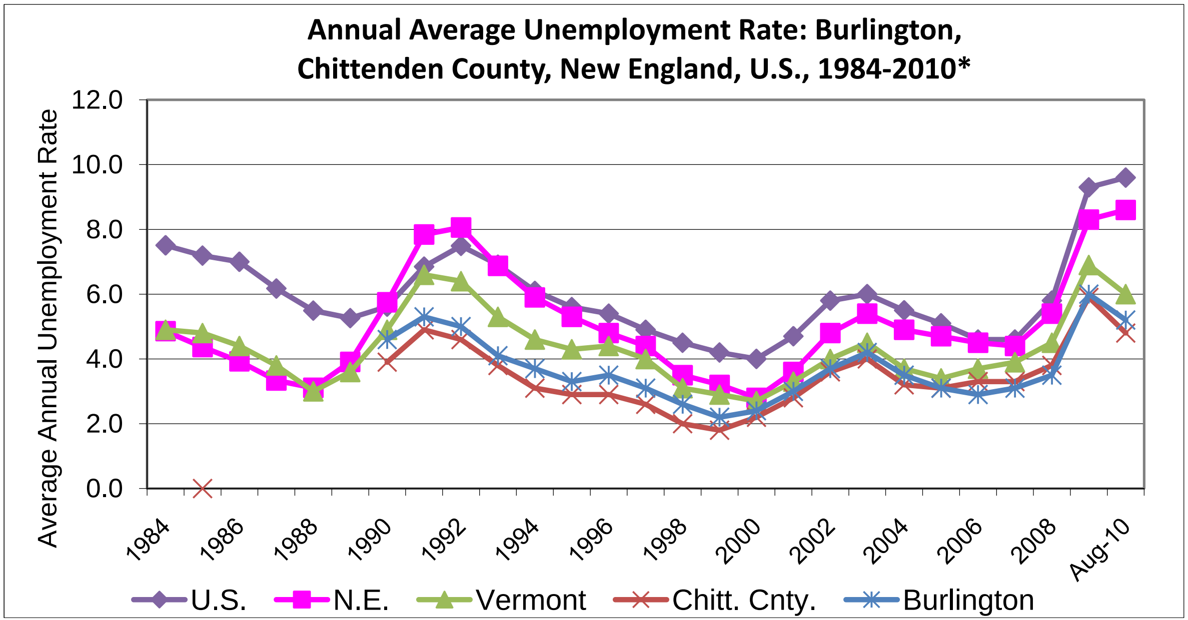
Compared to other towns in Chittenden County, Burlington has seen particularly steady employment increases. The majority of the other towns in the county saw their highest growth from 1990-2000, and then saw job growth slow or even decline through 2005 and 2008. Essex has seen the most drastic decline, peaking in 2000, while Shelburne and Williston both fell from 2005 to 2008. Winooski is particularly unusual in this group, as it is the only community that has lost jobs since 1990.



Source: Vermont Dept. of Labor, Economic and Labor Market Information, Employment and Wage Report

1.4 Unemployment

Following the most recent recession, unemployment increased throughout the country. However, while unemployment peaked in 2009 for Burlington, Chittenden County, and Vermont, rates have continued to increase in New England and the rest of the United States through July 2010. Overall, the recession has had a limited effect on Burlington. From 2007 to 2009, the unemployment rate increased by 2.9 percentage points in Burlington, compared to 3.9 percentage points in New England and 4.7 percentage points in the rest of the country. As of August 2010, the unemployment rate in Burlington is only 5.2%, and the Burlington-South Burlington Metro Area has an unemployment rate of 4.9%--the 7th lowest of 372 metropolitan regions across the country.



Sources: US Census Bureau, NE & U.S.: BLS, http://www.bls.gov/xg_shells/ro1xg02.htm#rate

Unemployment Rate in Burlington, Chittenden County, Vermont, New England, and the US: 1990, 2000, 2005-2009*

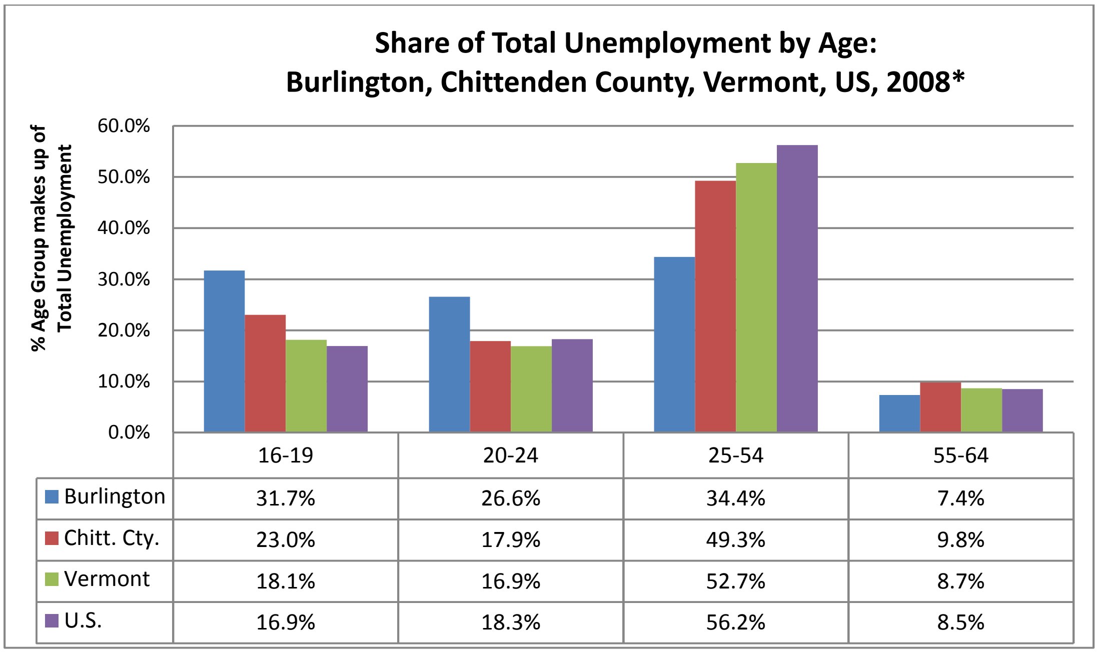
Sources: US Census Bureau, NE & U.S.: BLS, http://www.bls.gov/xg_shells/ro1xg02.htm#rate

	U.S.	N.E.	Vermont	Chittenden	Burlington
1990	5.6	5.8	4.9	3.9	4.6
2000	4	2.8	2.7	2.2	2.4
2005	5.1	4.7	3.4	3.1	3.1
2006	4.6	4.5	3.7	3.3	2.9
2007	4.6	4.4	3.9	3.3	3.1
2008	5.8	5.4	4.5	3.8	3.5
2009	9.3	8.3	6.9	5.9	6
August 2010	9.6	8.6	6.0	4.8	5.2
Change '07-'08	1.2	1	0.6	0.5	0.4
Change '08-'09	3.5	2.9	2.4	2.1	2.5
Change '09-'10	.3	.3	-.9	-1.1	-.8

*This data is from the Bureau of Labor Statistics and gives a different level of total unemployment than the data from the Census Bureau's American Community Survey (ACS)

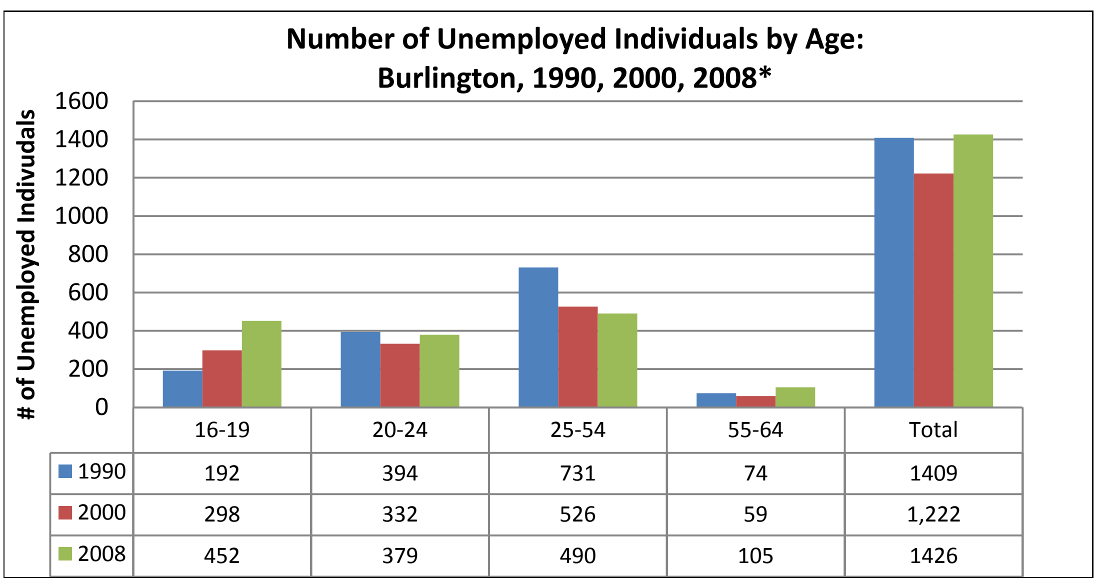
1.4.1 Unemployment by Age

Compared to the US and Chittenden County, unemployed individuals in Burlington are relatively younger. There are more unemployed individuals under the age of 25, and relatively fewer people in the 25-54 age group. A major factor appears to be that since 1990, the number of unemployed individuals aged 16-19 has more than doubled. Over this time period, unemployment for those ages 20-24 has remained relatively steady, and unemployment for the 25-54 bracket has decreased. There has been a slight uptick in the number of unemployed individuals age 55-64 from 2000 to 2008, although the overall rates remain relatively low.



	16-19	20-24	25-54	55-64
Burlington	31.7%	26.6%	34.4%	7.4%
Chitt. Cty.	23.0%	17.9%	49.3%	9.8%
Vermont	18.1%	16.9%	52.7%	8.7%
U.S.	16.9%	18.3%	56.2%	8.5%

Source: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates



	16-19	20-24	25-54	55-64	Total
1990	192	394	731	74	1409
2000	298	332	526	59	1,222
2008	452	379	490	105	1426

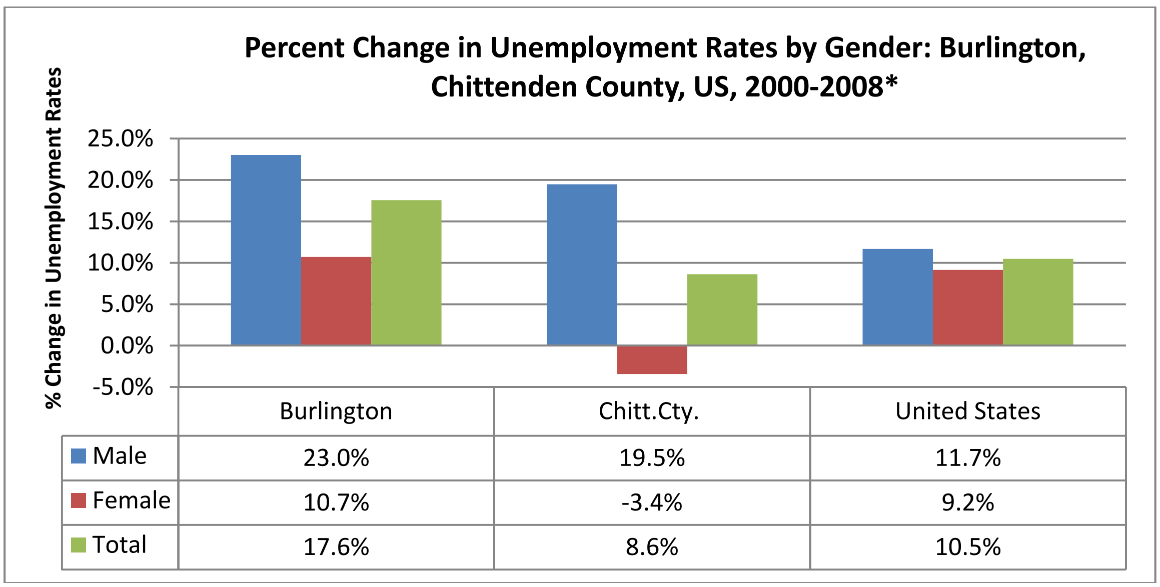
Source: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates, U.S. Census 1990, 2000
*This data is from the Bureau of Labor Statistics and gives a different level of total unemployment than the data from the Census Bureau's American Community Survey

1.4.2 Unemployment by Gender

As of 2008, the Burlington male unemployment rate was 2.8 percentage points higher than the female rate. This disparity has increased since 2000; from 2000 to 2008 the female unemployment rate in Burlington increased by 10.7%, while the male unemployment rate increased by 23%.

This pattern has also appeared in Chittenden County data. In 2000, the county had similar rates of male and female unemployment, but in 2008, the male unemployment rate was 1 percentage point higher than the female rate. From 2000 to 2008 the female unemployment rate decreased, while the male unemployment rate rose by nearly 20%.

US data doesn't show any significant discrepancy between male and female unemployment rates in either year, although the male unemployment rate increased by slightly more than the female unemployment rate did from 2000 to 2008.

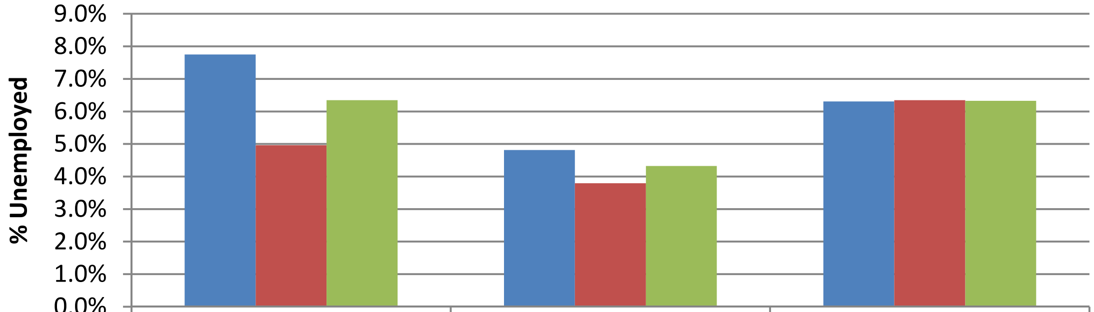


	Burlington	Chitt.Cty.	United States
Male	23.0%	19.5%	11.7%
Female	10.7%	-3.4%	9.2%
Total	17.6%	8.6%	10.5%

Source: US Census Bureau, American Community Survey 2006-2008, 3-year estimates, US Census 2000

*This data is from the Bureau of Labor Statistics and gives a different level of total unemployment than the data from the Census Bureau's American Community Survey

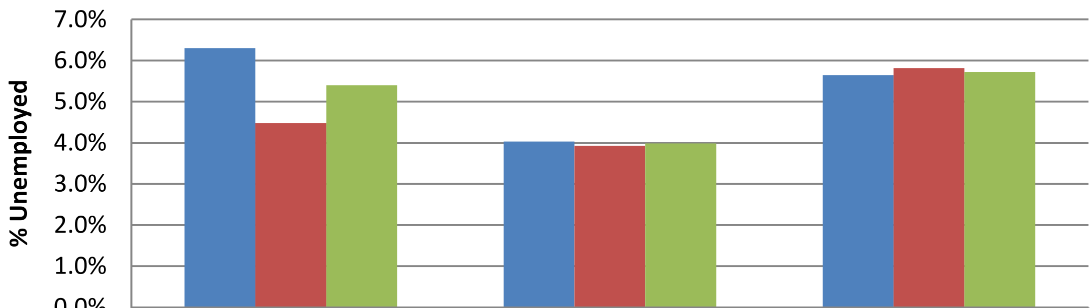
Unemployment Rates by Gender:
Burlington, Chittenden County, US, 2008



	Burlington	Chitt.Cty.	United States
Male	7.8%	4.8%	6.3%
Female	5.0%	3.8%	6.3%
Total	6.3%	4.3%	6.3%

Source: US Census Bureau, American Community Survey 2006-2008, 3-year estimates

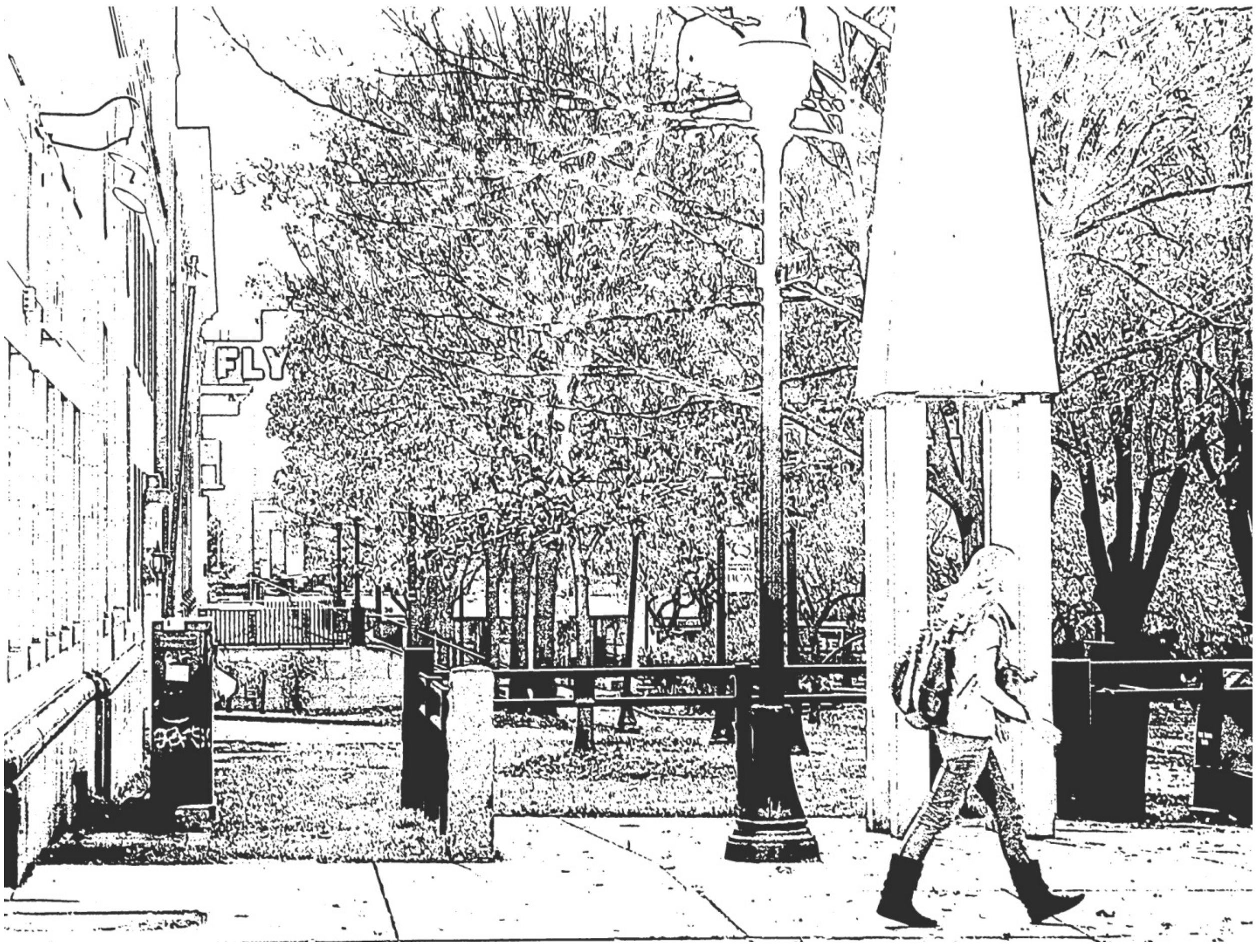
Unemployment Rates by Gender:
Burlington, Chittenden County, US, 2000



	Burlington	Chitt.Cty.	United States
Male	6.3%	4.0%	5.6%
Female	4.5%	3.9%	5.8%
Total	5.4%	4.0%	5.7%

Source: US Census Bureau, US Census 2000

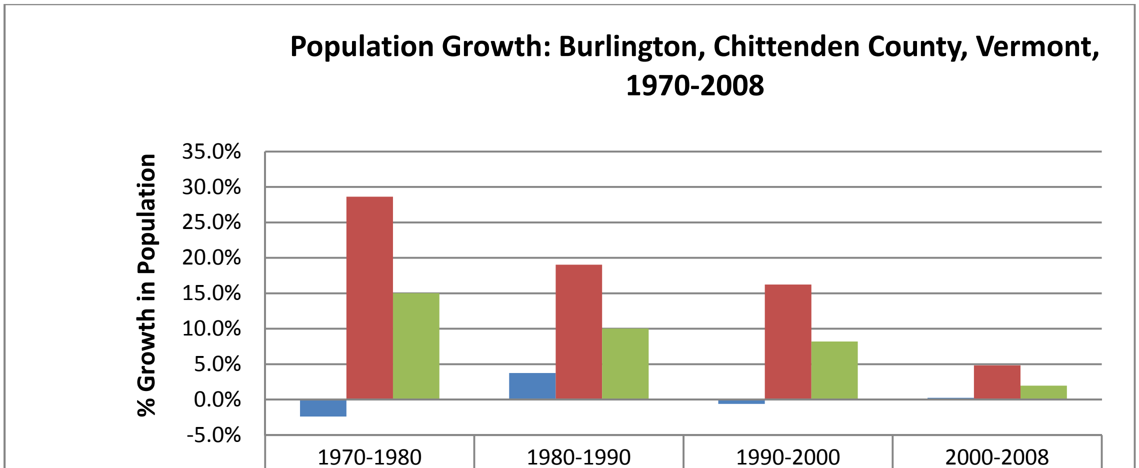
2 BURLINGTON RESIDENTS AND WORKFORCE



2 Burlington Residents and Workforce

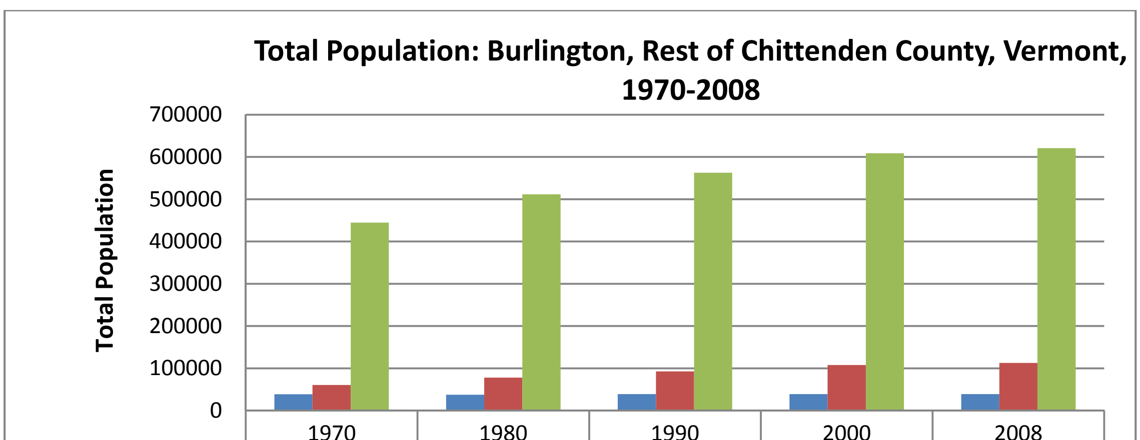
2.1 Population

There has been very little change in Burlington’s population from 2000-2008. Since 1970, Chittenden County and Vermont as a whole have been experiencing relatively high population growth; however, over the past decade this growth appears to be leveling off. As of 2008, Burlington had 38,989 residents and the rest of Chittenden County had 112,881 residents (for a total Chittenden County population of 151,870). Vermont’s 2008 population is 620,738.



	1970-1980	1980-1990	1990-2000	2000-2008
Burlington	-2.4%	3.8%	-0.6%	0.3%
Rest of Chittenden	28.6%	19.0%	16.2%	4.8%
Vermont	15.0%	10.0%	8.2%	2.0%

Sources: US Census Bureau, American Community Survey 2006-2008, 3-year estimates, US Census 1970, 1980, 1990, 2000

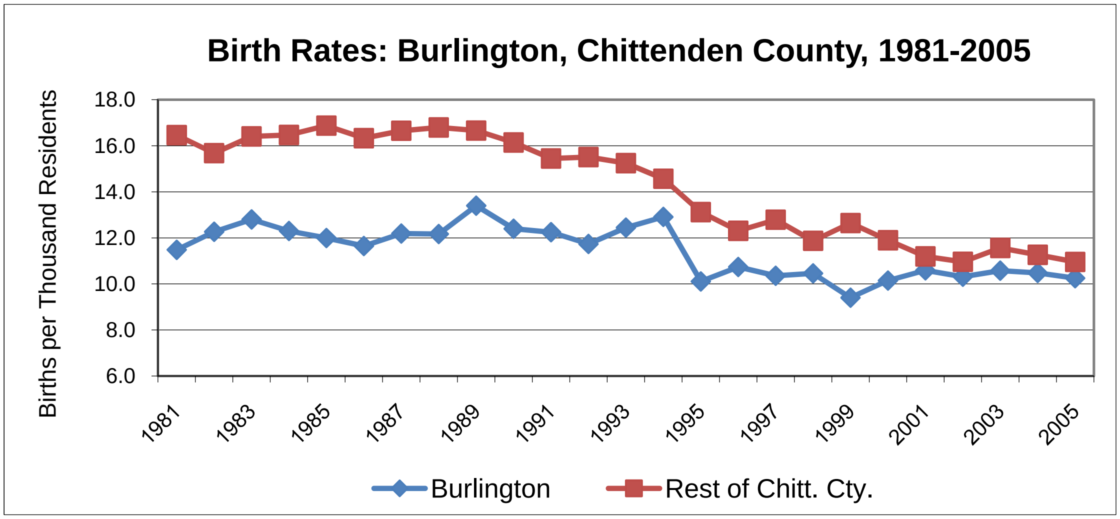


	1970	1980	1990	2000	2008
Burlington	38633	37712	39127	38889	38989
Rest of Chitt. Cty.	60498	77822	92634	107682	112881
Vermont	444732	511456	562758	608827	620738

Sources: US Census Bureau, American Community Survey 2006-2008, 3-year estimates, US Census 1970, 1980, 1990, 2000

2.2 Birth Rates

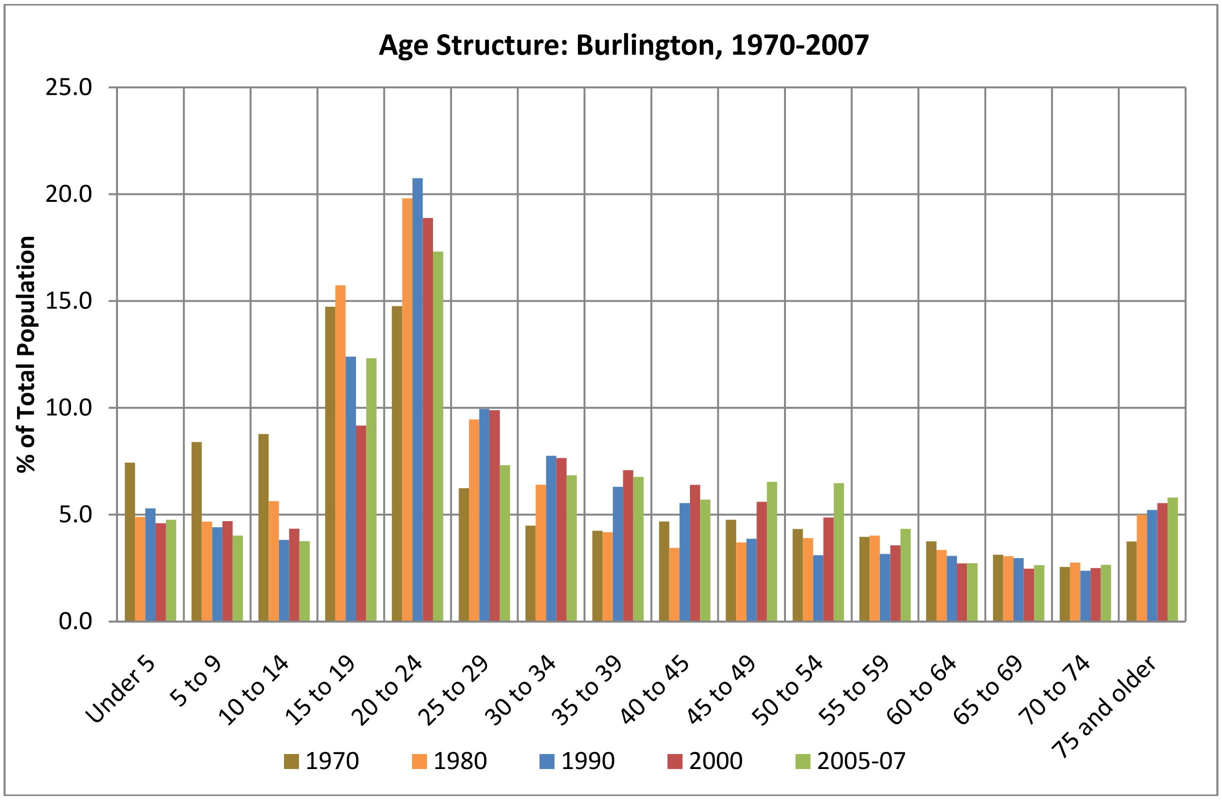
Birth rates in Burlington were stable from 1995 to 2005. Chittenden County birth rates, which have traditionally been higher than in Burlington, have been falling in recent years and are now very similar to Burlington rates.



Source: VT Department of Health, Vital Statistics (1981-2003), Vital Statistics and Population Estimates (2004-2005)

2.3 Age Structure

Burlington's population continues to age gradually, with the median age bracket shifting slightly from 25-29 to 30-34 between 2000 and 2005-2007. There has been a noticeable increase in the population of 45-54 year old residents since 2000, as well as a significant decrease in the population of 20-29 year old residents. The percentage of residents over the age of 75 has also increased steadily since 1970.

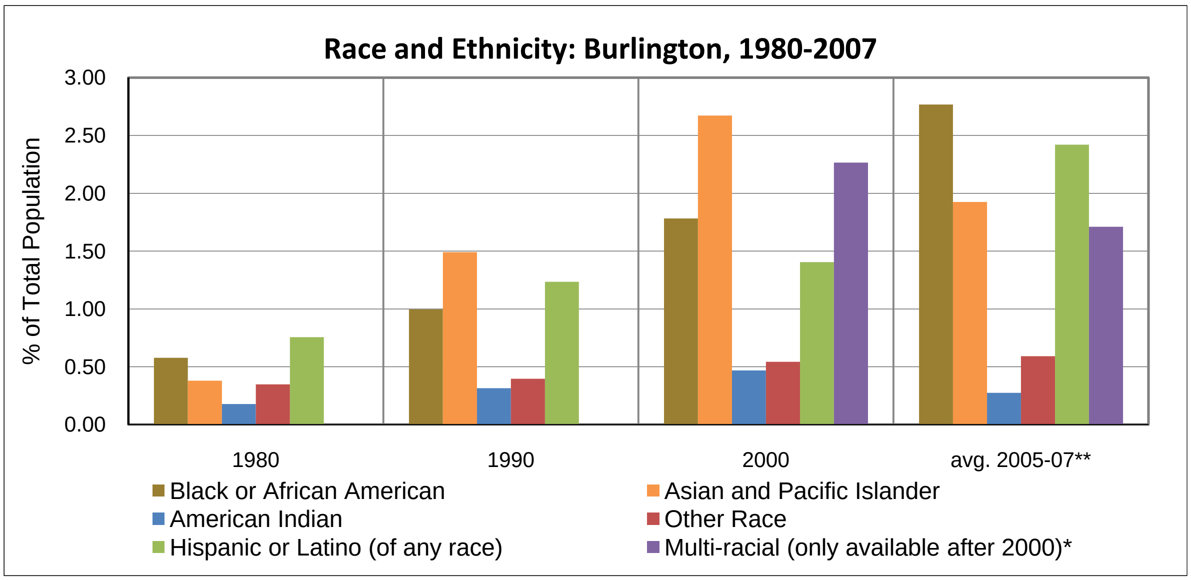


Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census, 1970, 1980, 1990, 2000 Summary File 1

2.4 Race and Ethnicity

While overall measures of racial and ethnic diversity have remained steady since 2000 (after increasing substantially from 1980 to 2000) the populations of individual racial and ethnic groups have changed significantly. In 2000, 7.73% of Burlington residents were Black, Asian, American Indian, Multi-racial, or another race, and 1.40% were Hispanic or Latino. Between 2005 and 2007, 7.27% of residents were Black, Asian, American Indian, Multi-racial, or another race, while 2.42% were Hispanic or Latino.

Between 2000 and 2005-7, there was a 72% increase in the Hispanic and Latino population as well as a 55% increase in the Black or African American population. However, the Asian population fell 28%, the American Indian population fell by 40%, and the Multi-racial population fell 25%.



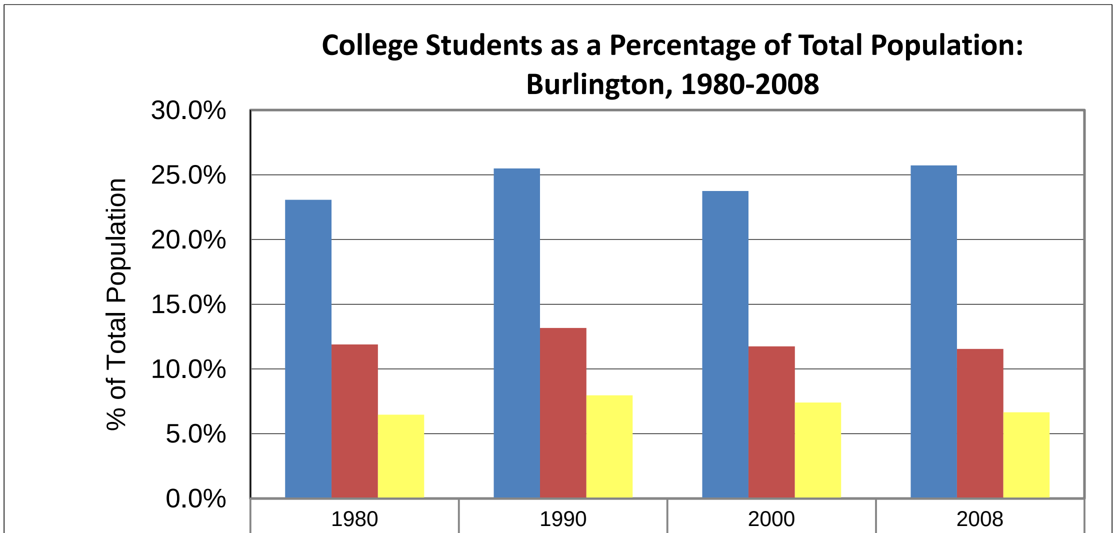
*The option to choose more than one race was introduced in Census 2000.

**The 2005-2007 data is from the American Community Survey (ACS), which is conducted every three years. Census data was used for 1990 and 2000, as ACS data was unavailable in earlier years.

Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census 1980, 1990, 2000

2.5 College Students

College students continue to make up a large part of Burlington's overall population, 25.7% as of 2008. This is slightly higher than figures from 2000 but appears to follow stable historical proportions going back to 1980.

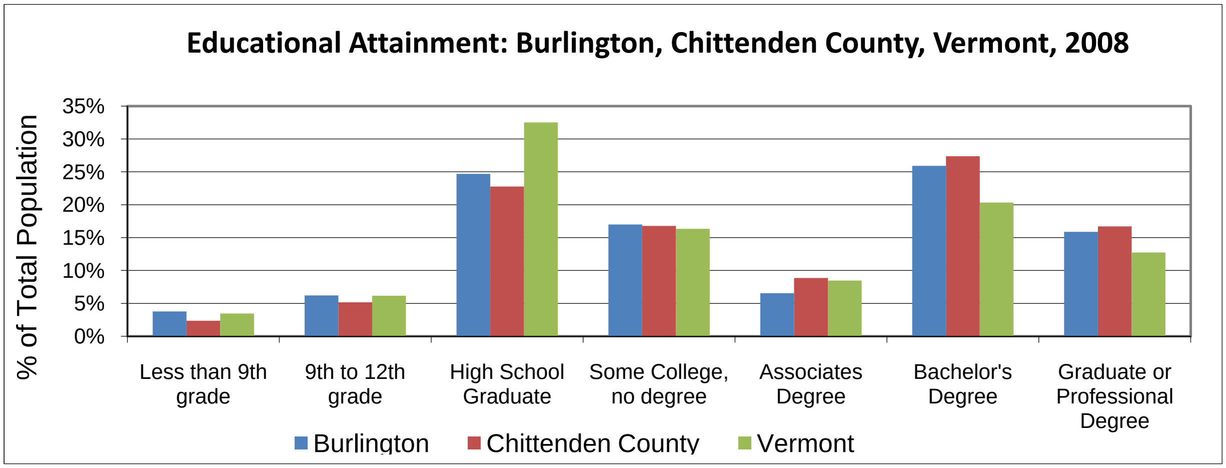


	1980	1990	2000	2008
Burlington	23.1%	25.5%	23.8%	25.7%
Chittenden	11.9%	13.2%	11.7%	11.5%
Chitt. not incl. Burl.	6.5%	8.0%	7.4%	6.6%

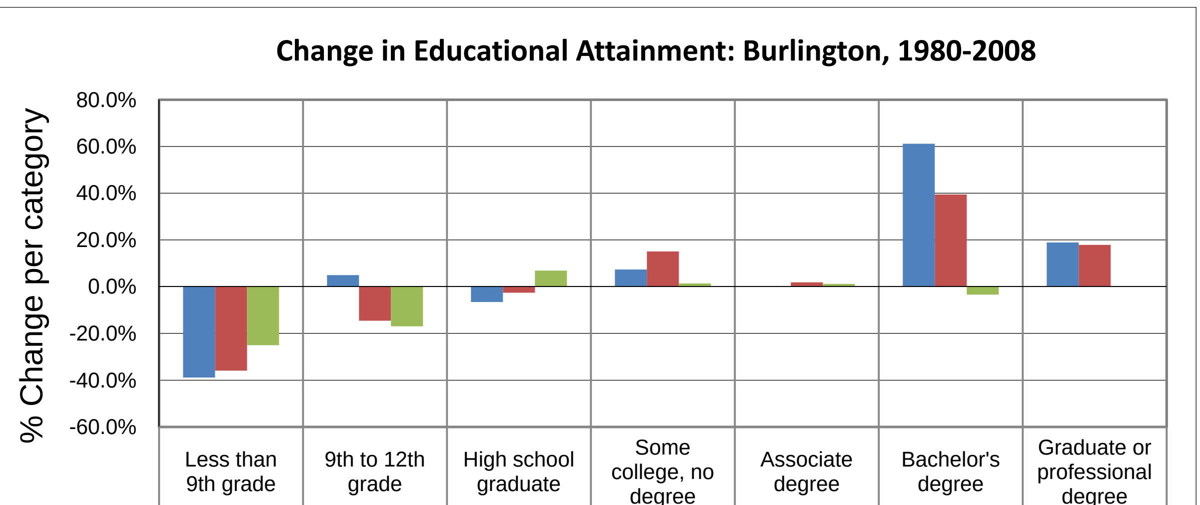
Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census 1980, 1990, 2000

2.6 Educational Attainment

Better educated than the rest of the state, but slightly less well educated than Chittenden County, education patterns of Burlington residents were increasingly stable from 2000 to 2008. This is particularly noticeable compared to more visible changes in the past several decades. There were minimal changes in the attainment of individuals who had any form of higher education. After two decades of rapid growth, the proportion of individuals with a bachelor's degree actually decreased slightly. The proportion of Burlington residents with a high school diploma did increase 6.8%, which may be due to a smaller percentage of individuals who have less than a 12th grade education (the only category to significantly continue its downward trend).



Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates



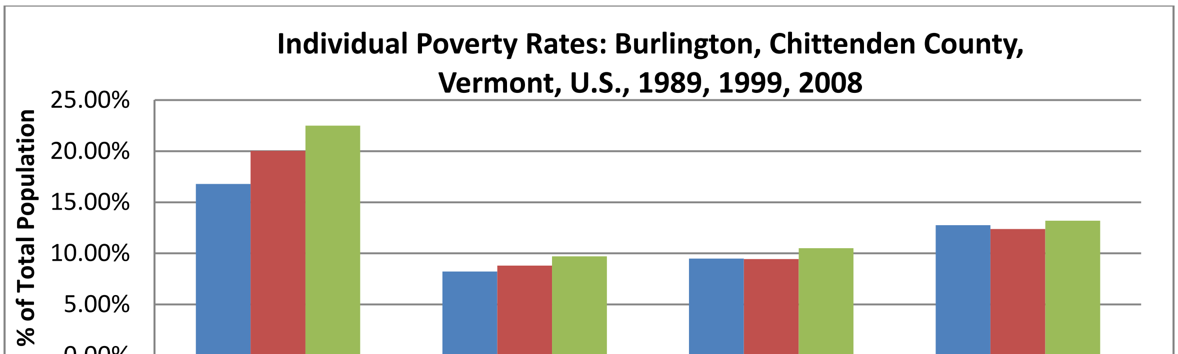
	Less than 9th grade	9th to 12th grade	High school graduate	Some college, no degree	Associate degree	Bachelor's degree	Graduate or professional degree
% Change 1980-90	-38.9%	5.0%	-6.6%	7.4%		61.1%	18.9%
% Change 1990-00	-35.9%	-14.5%	-2.6%	15.1%	1.8%	39.5%	17.9%
% Change 2000-08	-25.0%	-16.9%	6.8%	1.4%	1.2%	-3.4%	0.1%

Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census, 1980, 1990, 2000

2.7 Poverty Rates

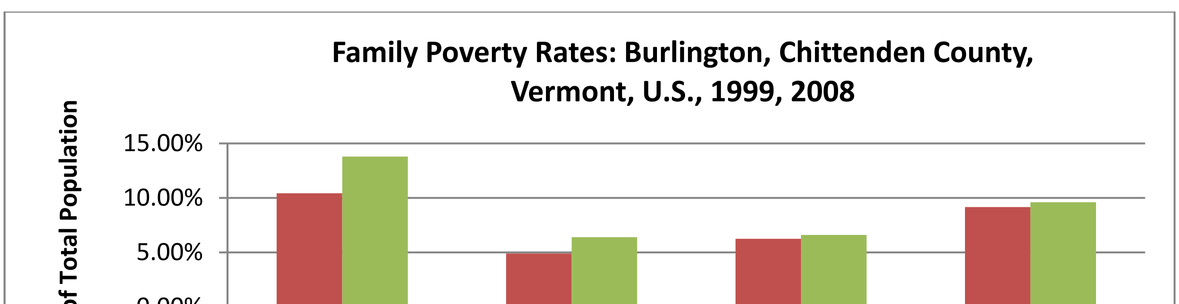
Since 1999, poverty rates for individuals have increased throughout the country; however, rates within Burlington remain particularly high. Burlington rates increased from 16.8% in 1989 to 20.0% in 1999 to 22.5% in 2008. This is also a slightly higher growth rate than seen in Chittenden, Vermont, or US data. From 1999 to 2008, individual poverty rates increased 12.4% in Burlington, compared to an increase of 10.3% in Chittenden County, 11.2% in Vermont, and 6.6% in the US.

While family poverty rates are lower than individual poverty rates, the percentage of families in poverty has grown more quickly than the percentage of individuals in poverty in Burlington and Chittenden County. Burlington's and Chittenden County's respective percent increases, 32.3% and 30.5%, are drastically higher than the percent growth in families in poverty in Vermont or the US, 4.5% and 4.8% respectively. While the increase in the student population may have some effect on individual poverty rates, the substantial increase in family poverty rates suggests that more research needs to be done to identify the causes of this trend and to identify potential solutions to it.



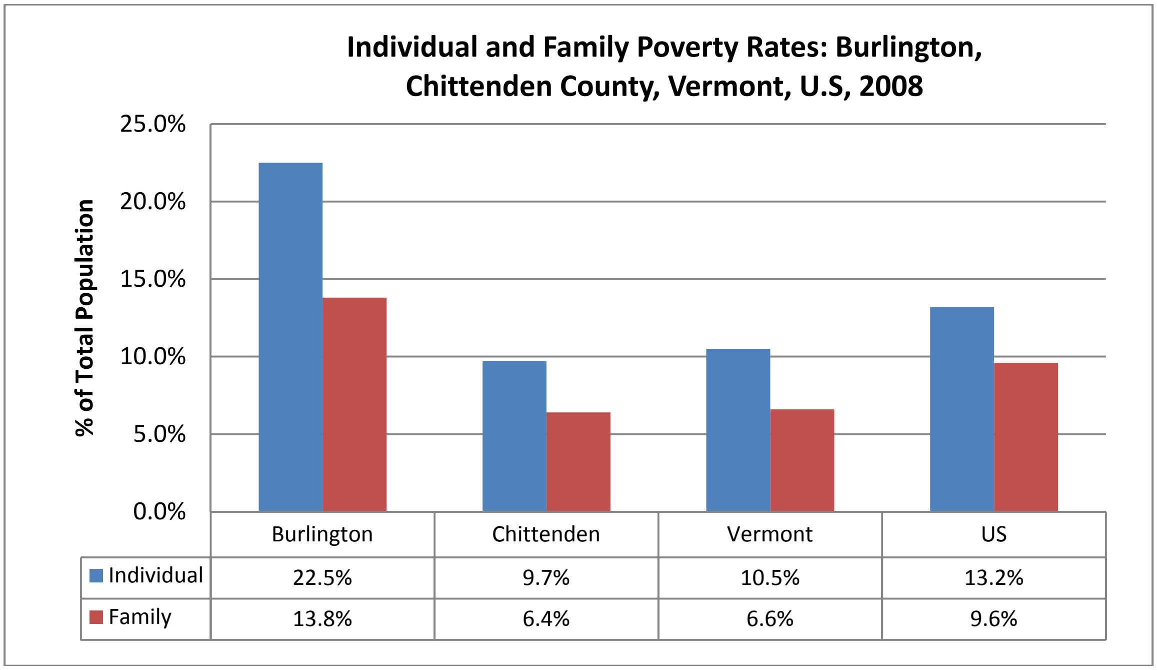
	Burlington	Chittenden	Vermont	US
1989	16.79%	8.21%	9.48%	12.76%
1999	20.03%	8.80%	9.44%	12.38%
2008	22.5%	9.70%	10.50%	13.20%

Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Decennial Census, 1980, 1990, 2000

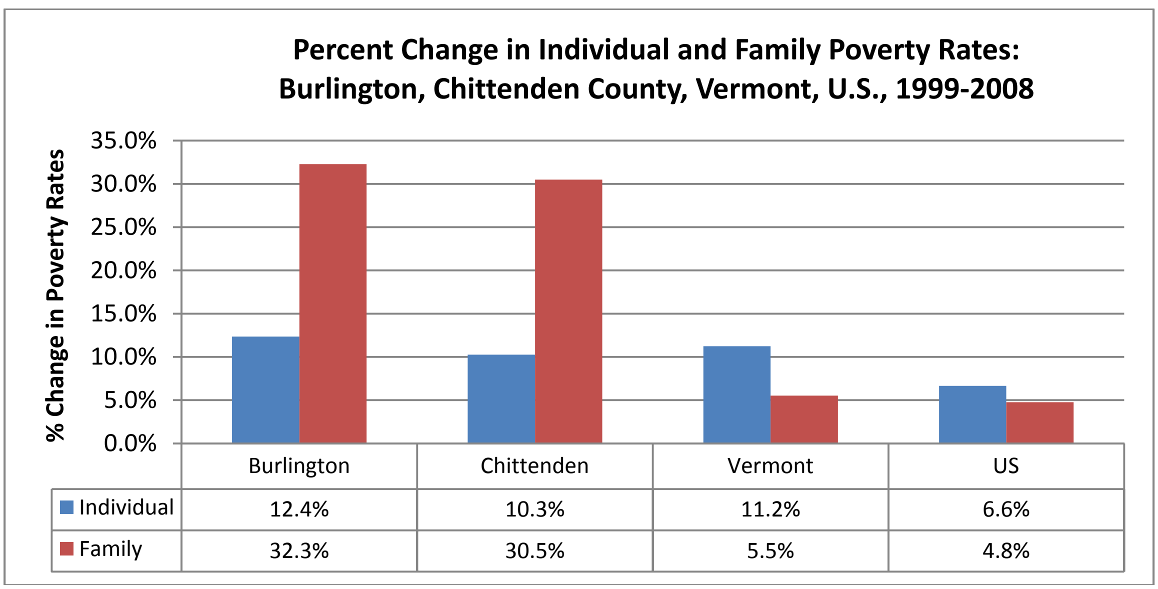


	Burlington	Chittenden	Vermont	US
1999 Family	10.43%	4.90%	6.25%	9.16%
2008 Family	13.8%	6.40%	6.60%	9.60%

Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Decennial Census, 1980, 1990, 2000



Source: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census 1980, 1990, 2000

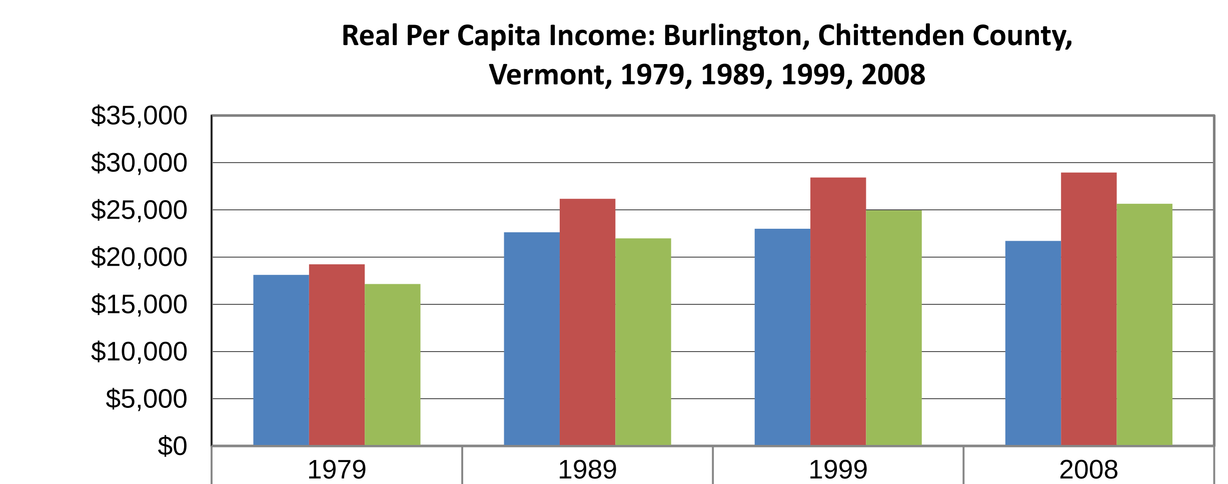


Sources: U.S. Census Bureau, American Community Survey 2005-2007, 3-year estimates, U.S. Census 1980, 1990, 2000

3 INCOME AND WAGES

3 Income and Wages
3.1 Per Capita Income

While real per capita income has gradually increased in Chittenden County and throughout Vermont, per capital income fell in Burlington from $23,005 in 2000 to $21,713 in 2008. This is discouraging given the increasing gap between per capita income between Burlington and the rest of the county and state, which has steadily increased since 1979. This figure may be affected by the student population, which has increased in Burlington since 1999, but decreased in the rest of Chittenden County. Per capita income is calculated by dividing total earnings by the population size, meaning that more students with few earnings would lower total per capita income.



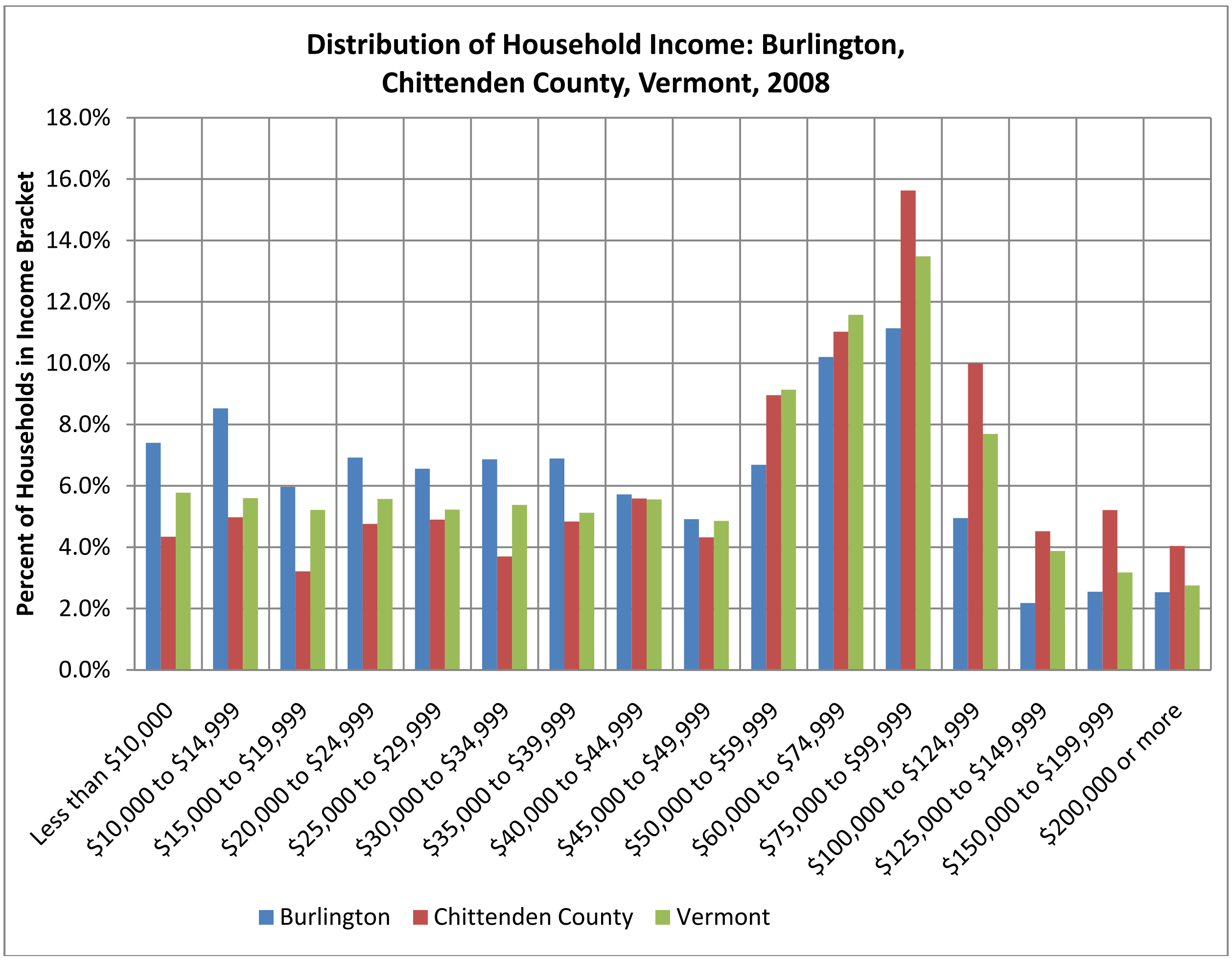
	1979	1989	1999	2008
Burlington	$18,116.23	$22,627.97	$23,004.91	$21,713.13
Chittenden	$19,229.75	$26,168.98	$28,438.18	$28,951.15
Vermont	$17,155.44	$21,992.28	$24,957.98	$25,641.14

Sources: US Census Bureau, American Community Survey 2006-2008, 3-year estimates*; Data in 2006 Dollars, US Census 1980, 1990, 2000

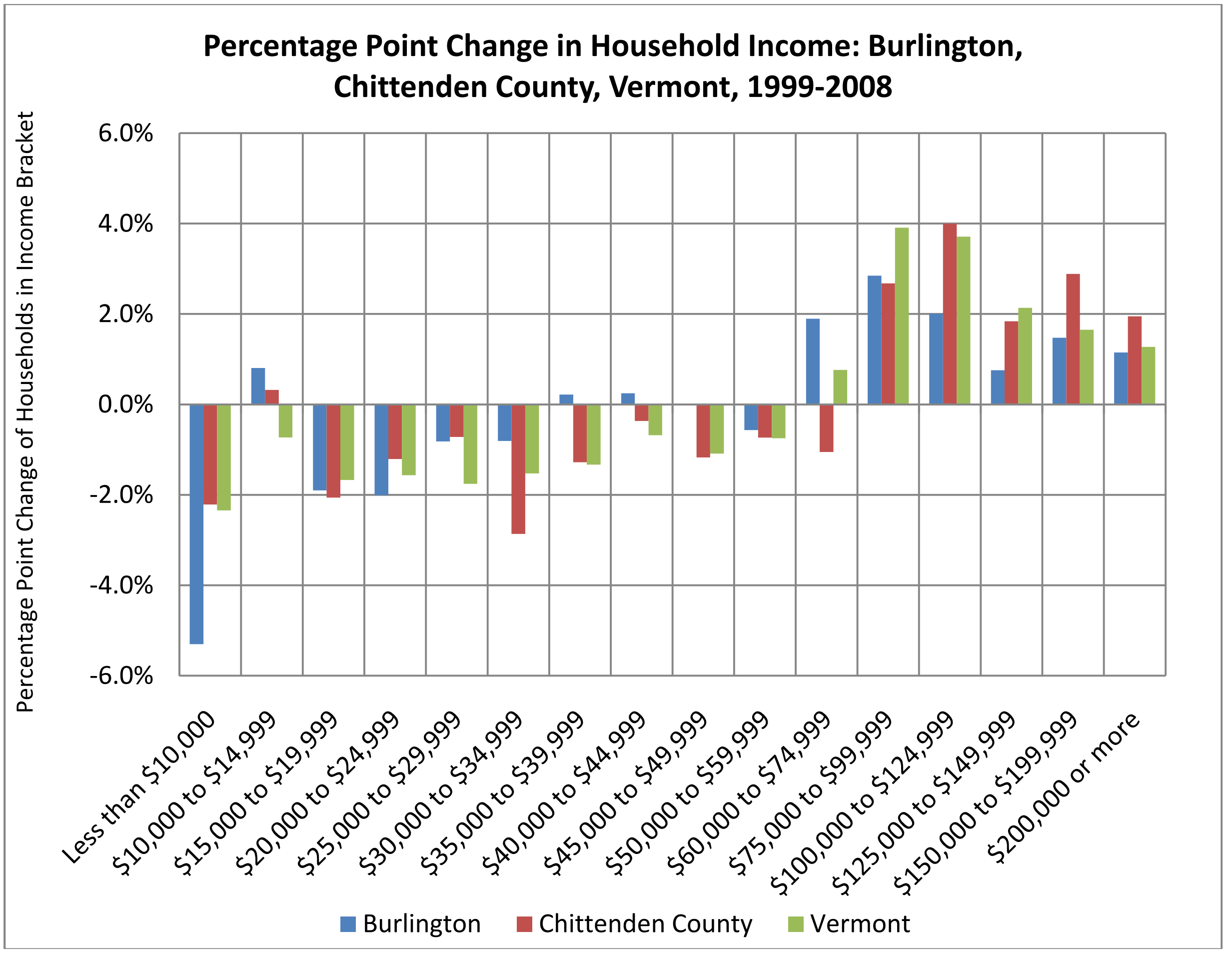
3.2 Household Income

While per capita income showed a decrease in income for Burlington residents, household income figures present a more nuanced picture. Burlington households are much more likely to have an annual income of less than $40,000 than households in Chittenden County and Vermont. Burlington households are also much less likely to earn more than $75,000 per year, particularly when compared to households in Chittenden County.

With regard to growth at the upper end of the spectrum, from 1999 to 2008 there was a substantial increase in households earning $60,000-$74,999 per year compared to county or state patterns. However, there were also relatively smaller increases in households earning more than $100,000 per year. There was also a significant reduction in the percentage of Burlington households earning less than $10,000 per year.



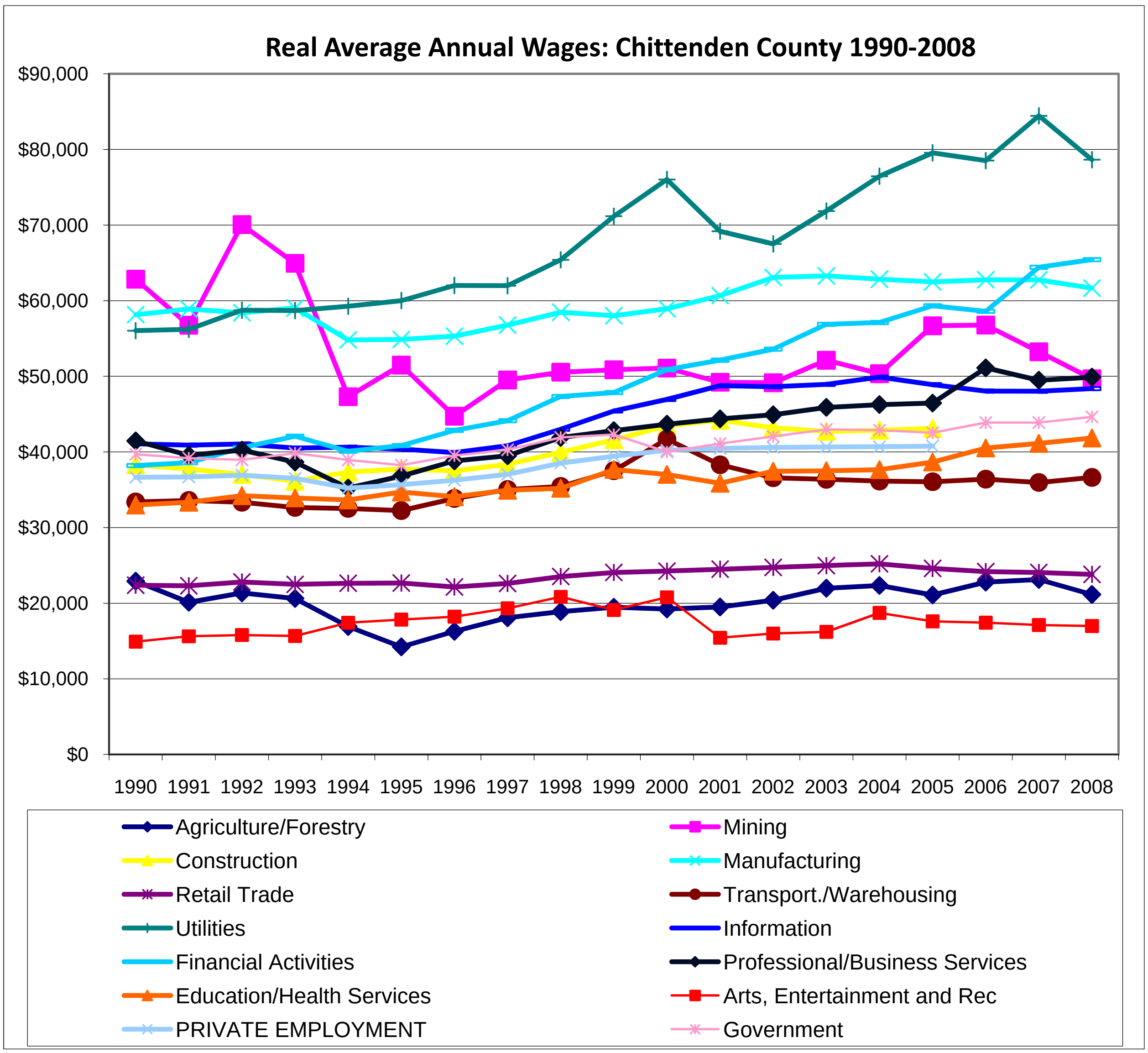
Sources: US Census Bureau, American Community Survey 2006-2008, 3-year estimates*; Data in 2006 Dollars



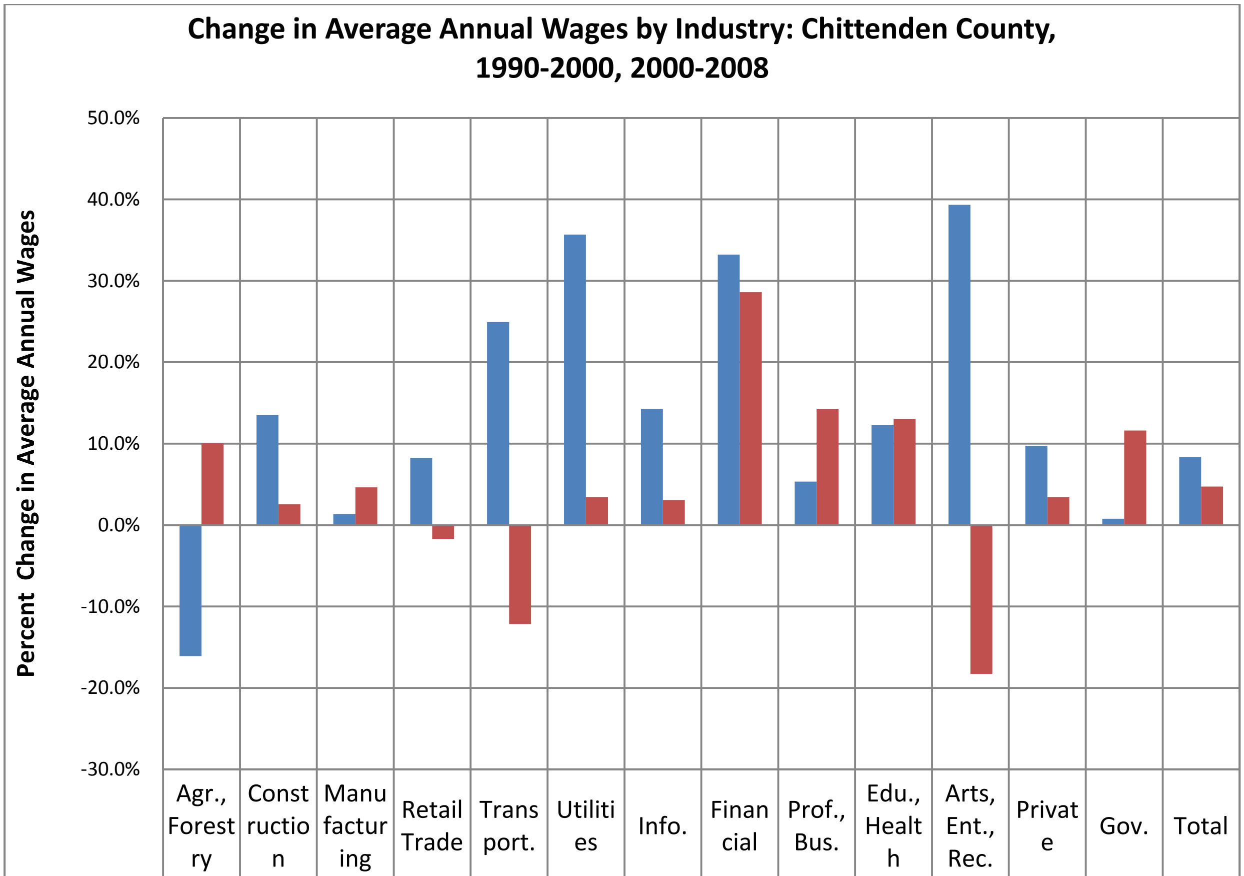
Sources: US Census Bureau, American Community Survey 2006-2008, 3-year estimates*; Data in 2006 Dollars, US Census 2000

3.3 Wages by Industry

Average annual wages are calculated by dividing total earnings in a sector by the number of employees in that sector. From 2000 to 2008, the financial sector has seen the greatest increase in real average annual wages, growing close to 30%. The sector is followed by professional and business services, education and health, government, and agriculture and forestry, all showing increases of 10-15%. Construction, manufacturing, utilities, and information all saw moderate increases of 2-5%. On the other hand, retail and transportation wages fell, as did individuals in the arts, entertainment, and recreation industry. This is particularly concerning given that the arts, entertainment, and recreation sector is still growing and that it already has the lowest wages of any of the industries.



Sources: Chittenden County: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; Data in 2006 Dollars

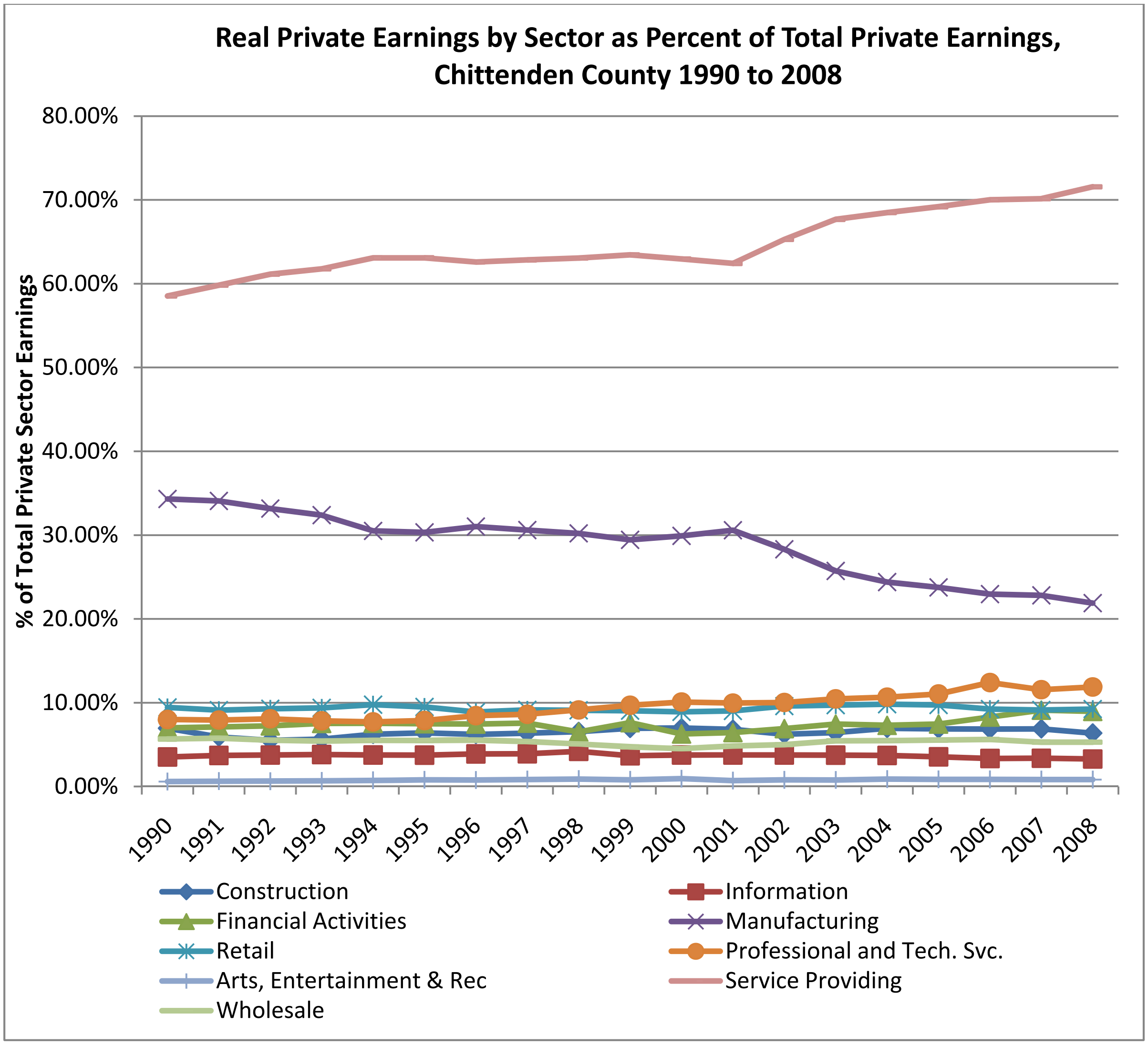


	Agr., Forestry	Construction	Manufacturing	Retail Trade	Transport.	Utilities	Info.	Financial	Prof., Bus.	Edu., Health	Arts, Ent., Rec.	Private	Gov.	Total
1990-00	-16.1%	13.5%	1.3%	8.3%	24.9%	35.7%	14.3%	33.2%	5.3%	12.3%	39.3%	9.7%	0.8%	8.4%
2000-08	10.0%	2.6%	4.6%	-1.7%	-12.2%	3.4%	3.1%	28.6%	14.2%	13.0%	-18.3%	3.4%	11.6%	4.7%

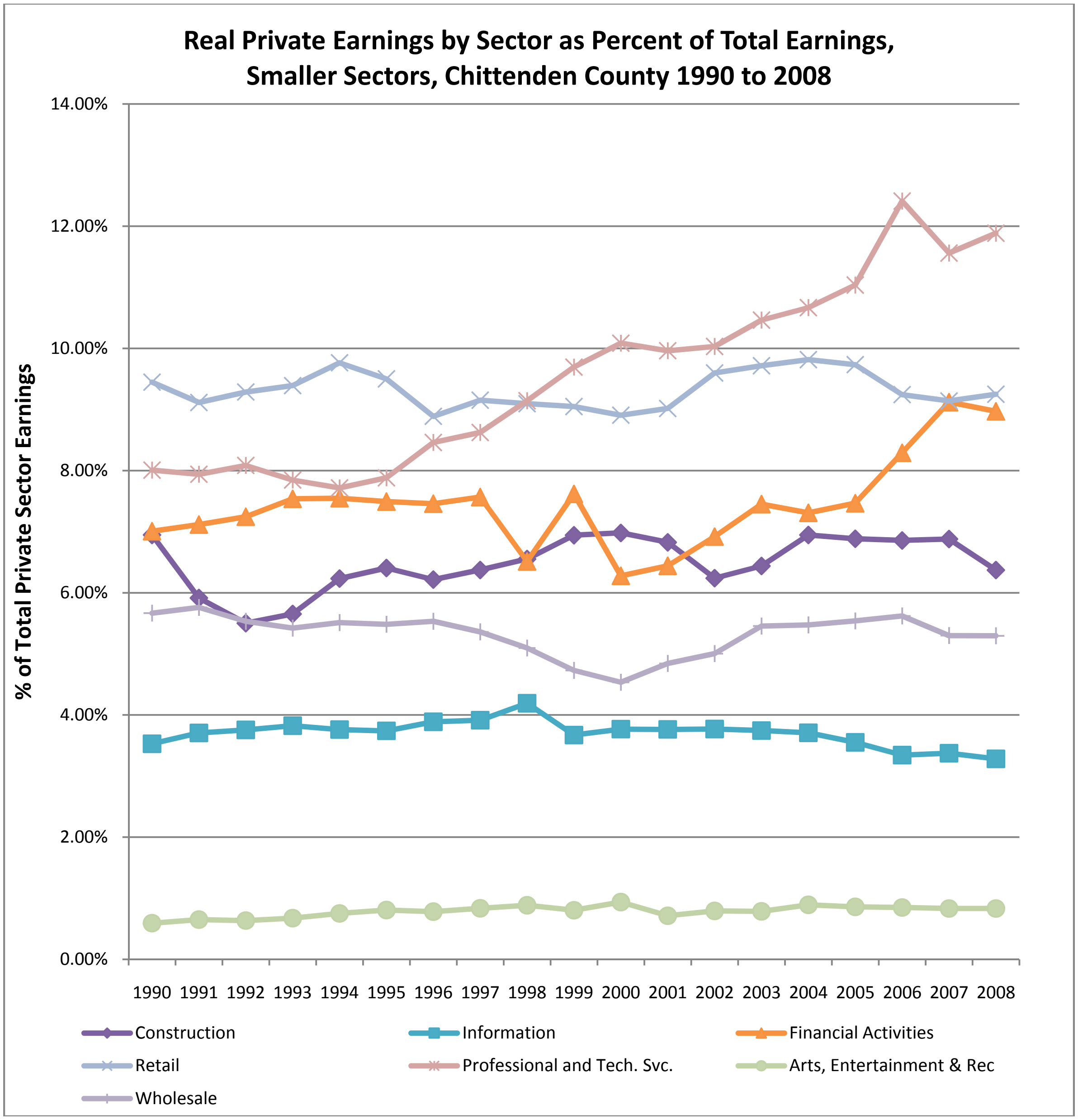
Source: Chittenden County: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; Data in 2006 Dollars

3.4 Earnings Share by Industry

The service sector comprises an increasing share of private sector earnings. The other major industry, manufacturing, has declined substantially since 2000, after seeing only gradual declines in the 1990s. In the smaller sectors, professional, scientific and technical services have seen the highest growth rate, increasing by more than 50% since 1990. The financial activities sector has also grown, particularly since a dip in 2000. Other industries have seen some fluctuations, but their overall shares of earnings have stayed relatively stable since 1990.



Source: Chittenden County: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; Data in 2006 Dollars

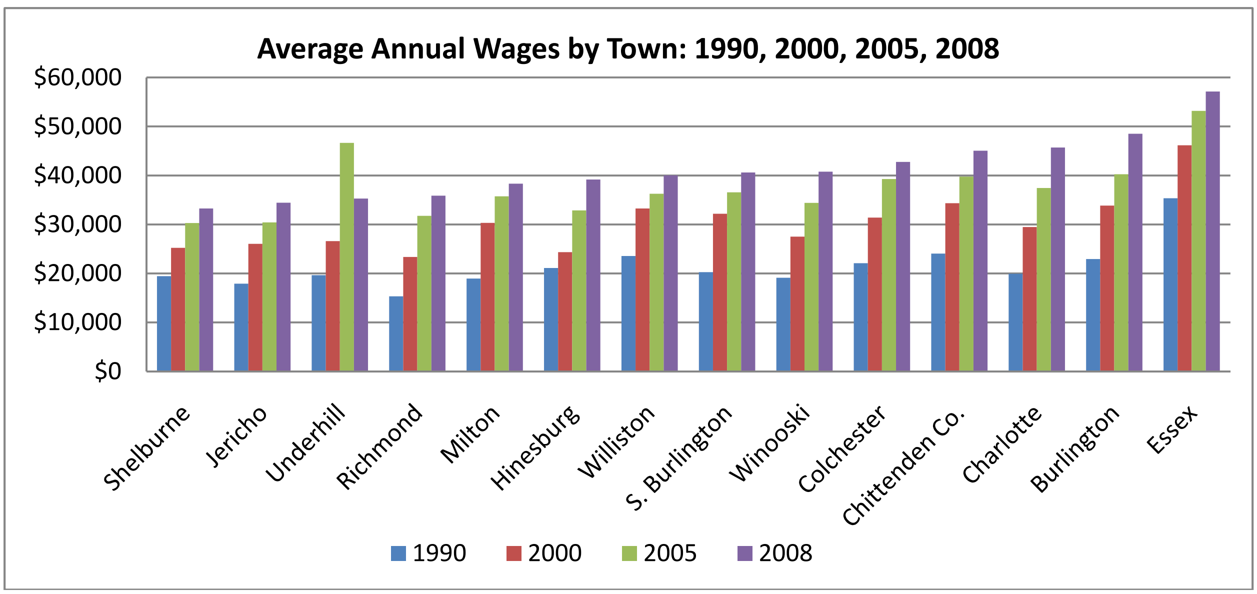


Source: Chittenden County: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages; Data in 2006 Dollars

3.5 Average Wages by Town

While per capita income is much lower in Burlington than in the rest of Chittenden County, an opposite trend emerges when looking at average annual wages by town. To analyze this difference, first note that average wages looks at earnings distributed among employed individuals, while per capita income looks at earnings distributed across the whole population. This suggests that the differences between wages and income may be influenced by students, as mentioned previously, or by other individuals not in the labor force. It is less likely that this difference is caused by a difference in unemployment, given similar unemployment rates in Burlington and Chittenden County over this time period.

Overall, while Essex has the highest wages by a substantial margin, Burlington is second, one of only three towns to have a higher average than Chittenden County as a whole in 2008. This was not always the case; Burlington was fourth in 1990, behind Essex, Williston, and Chittenden County, and third in 2000, passing Williston but still remaining behind Chittenden County. In 2005, Burlington leapt ahead of the county average and has increased its lead through 2008.

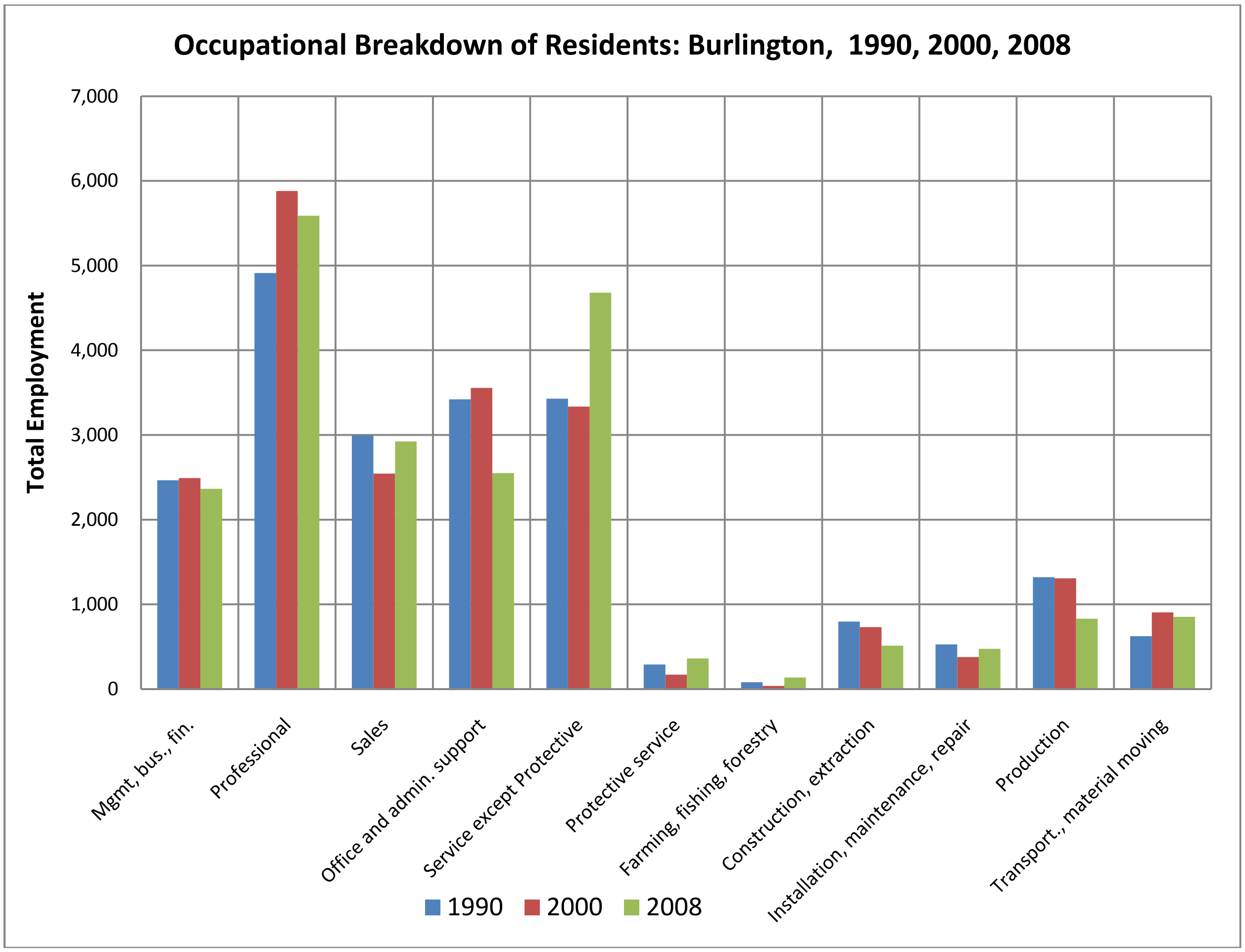


Source: Vermont Department of Labor, Economic and Labor Market Information, Employment and Wage Report; Data in 2006 Dollars

4 EMPLOYMENT BY OCCUPATION AND INDUSTRY

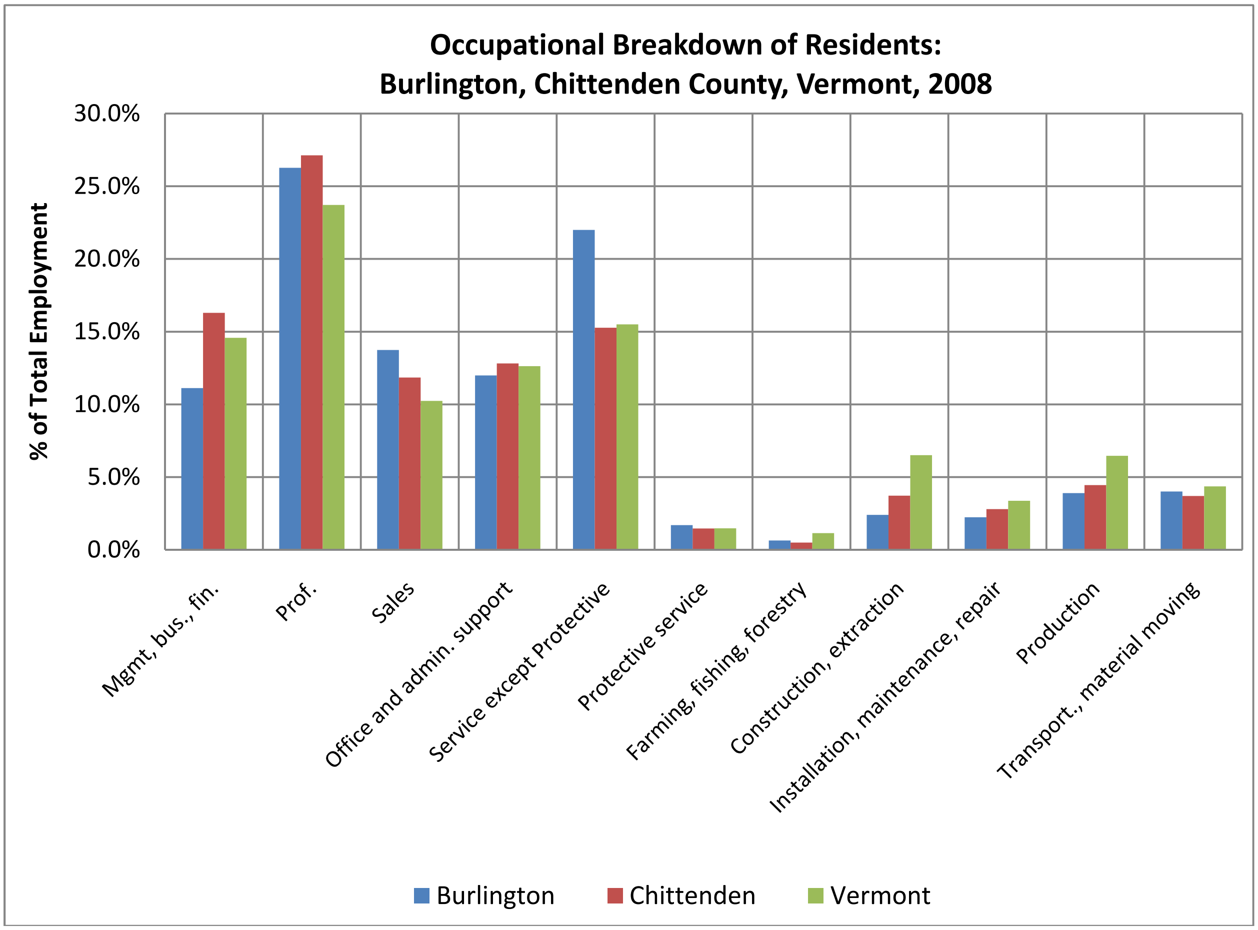
4 Employment by Occupation and Industry
4.1 Employment by Occupation

Over the last decade in Burlington, there has been a substantial increase in the number of residents working in the service sector. There has also been a noticeable decrease in individuals working in office or administrative support positions. Beyond these major trends, construction and production have continued to gradually decrease, although protective service and installation, maintenance and repair have rebounded. Protective service occupations cover a variety of fields, primarily including corrections or public safety positions, such as firefighting. There has also been a resurgence in the smallest occupational category of farming, fishing, and forestry, which has increased by 267% since 2000.



Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates.

As of 2008, the occupational structure of Burlington's economy has similarities and differences when compared to county and state values. The professional and related occupational category dominates with close to 25% of employment throughout the state. The next tier, however, is more interesting. The service sector is particularly strong in Burlington, especially compared to its county and statewide presence, although there are relatively fewer management, financial, and business jobs in the city. While its share is smaller, there is also a lower percentage of construction, production, installation, maintenance, and repair workers in both Burlington and Chittenden County than there is statewide.

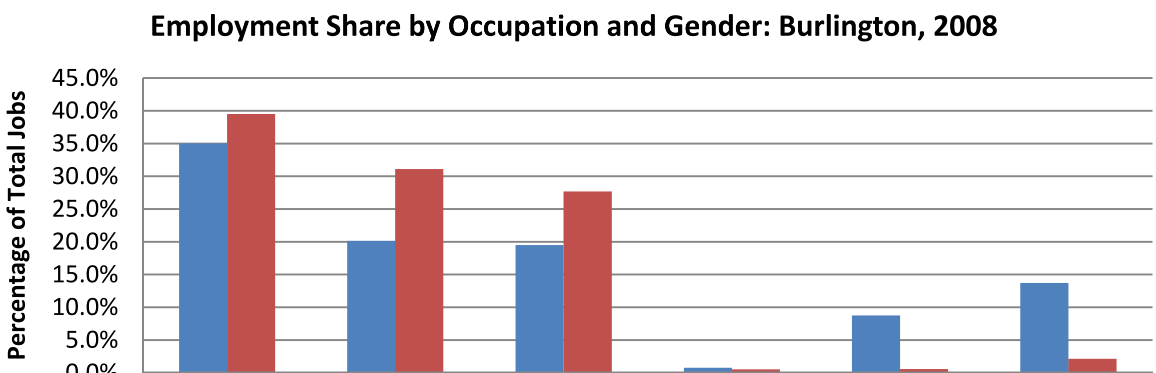


Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates.

4.1.1 Occupations and Gender

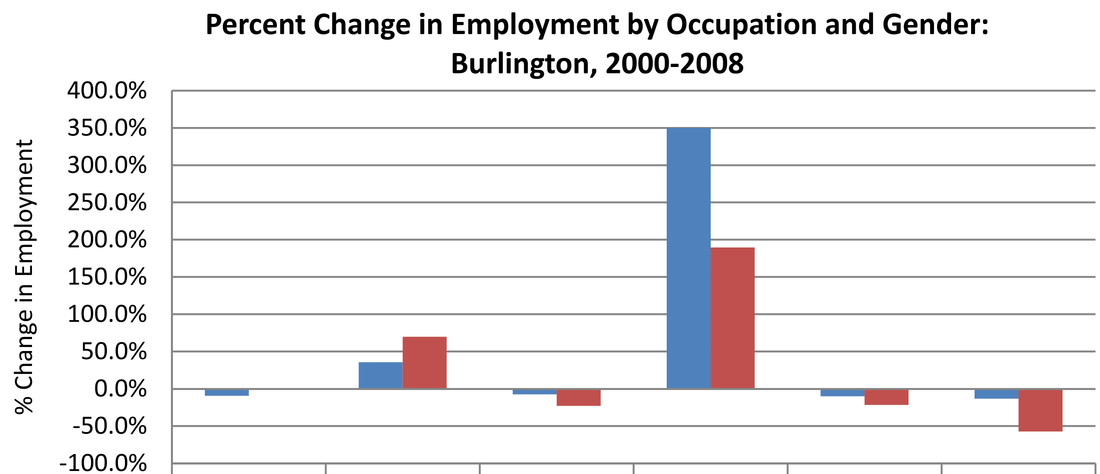
The 2008 data shows marked differences in the percentage of men and women employed in certain occupations in Burlington. However, we should note that this data, which is from the US Census Bureau's 2006-2008 American Community Survey and 2000 Census, does not distinguish between private and public sector employment like the Bureau of Labor Statistics data does.

Women dominate in the service sector by more than 10 percentage points as well as in sales and office, managerial, professional, and related occupations. However, men hold the majority of farming, construction, and production positions. These results are interesting because while the majority of the shrinking fields are male dominated, women in those fields have done worse than the men have. In the women dominated fields, there has been a mix. Women have taken more than two out of every three new service jobs since 2000. Managerial, professional, and related jobs have also held steady for women, while male employment has fallen by nearly 10%. On the other hand, women have fared worse than men in sales and office positions, with female employment falling 23% in this area.



	Managerial, Professional and Related	Service	Sales and Office	Farming, Fishing, Forestry	Construction, Extraction, Maintenance	Production, Transportation, Material Moving
Male	35.0%	20.1%	19.5%	0.8%	8.7%	13.7%
Female	39.5%	31.1%	27.7%	0.5%	0.6%	2.1%

Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates.



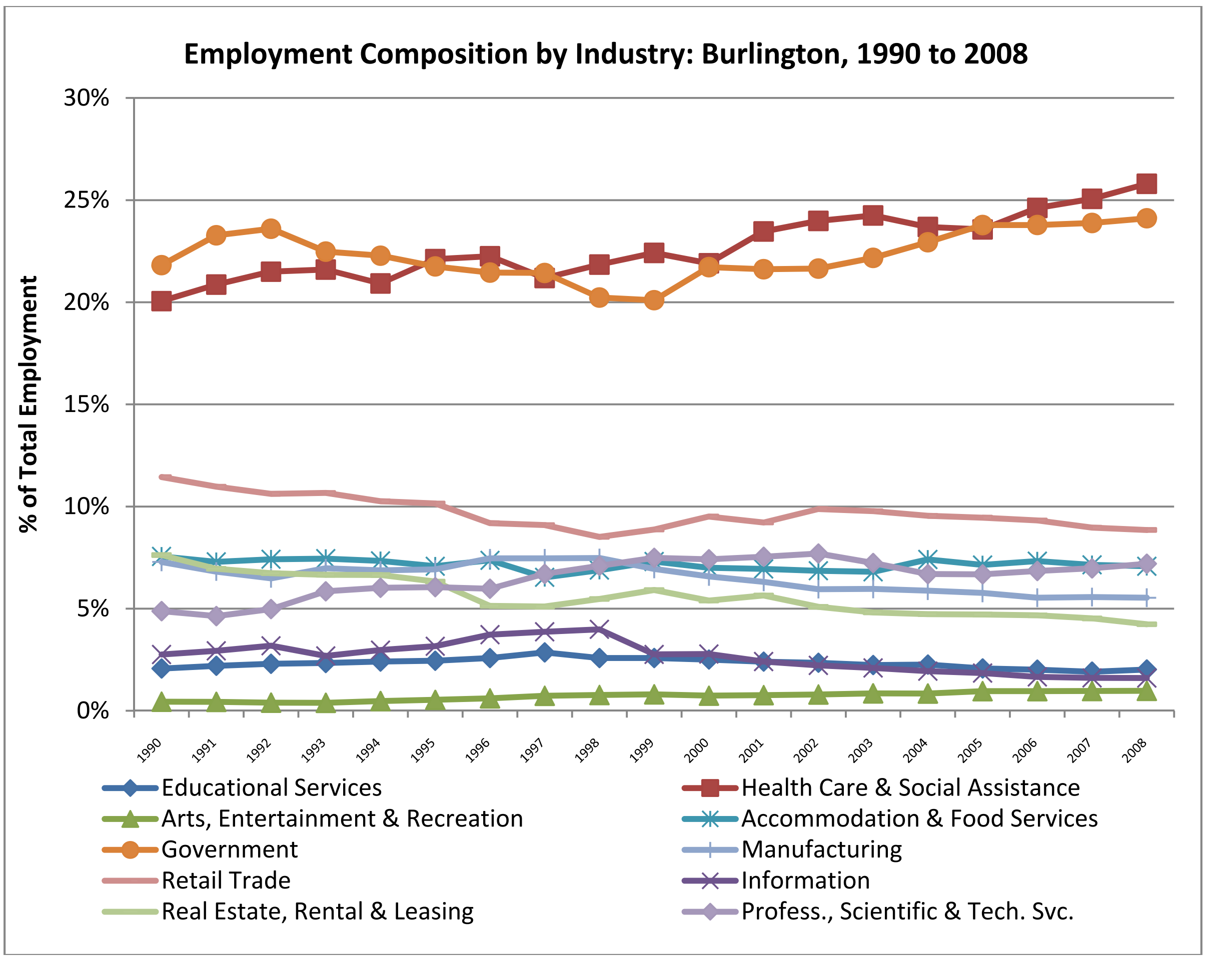
	Managerial, Professional and Related	Service	Sales and Office	Farming, Fishing, Forestry	Construction, Extraction, Maintenance	Production, Transportation, Material Moving
Male	-9.5%	35.7%	-7.5%	350.0%	-10.1%	-13.3%
Female	-0.7%	69.7%	-23.1%	189.5%	-21.8%	-57.2%

Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates.

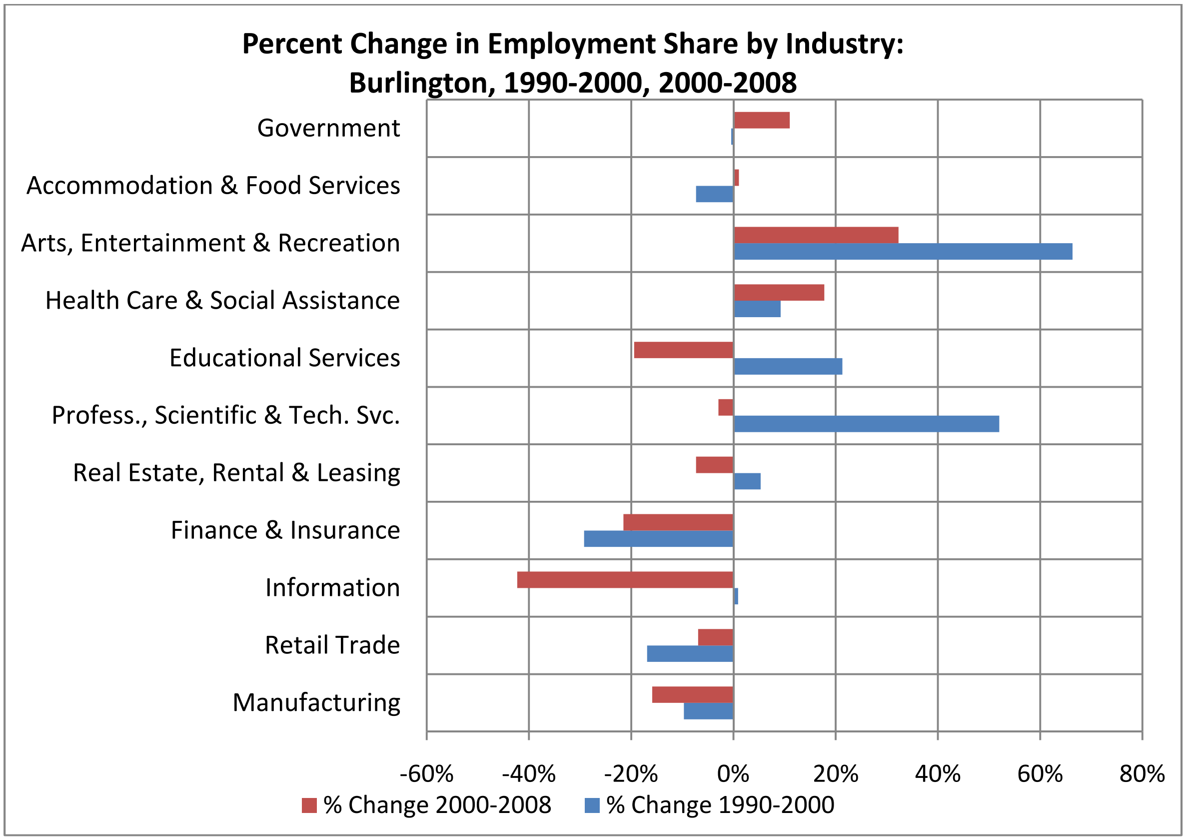
4.2 Employment by Industry
4.2.1 Burlington

Over the past decade, government, health care and social assistance jobs have continued to increase their share and now make up nearly 50% of all jobs in Burlington. Arts, entertainment and recreation has continued to increase its share, although at a slower rate than it did from 1990-2000. Educational Services, on the other hand, has significantly decreased its share. Despite a perception of increased growth, its share peaked in 1997 and as of 2008 is below 1990 levels. Information has also declined after remaining flat from 1990-2000, and professional, scientific, and technical services have slowed after growing steadily from 1990-2000.

We should note that the industries portrayed in these graphs only include private sector employment. The exception to this is the government sector, which includes a number of jobs that might be expected to belong to other sectors. One important example is education, where employment in the Burlington School District and at UVM is included under government employment rather than educational services.



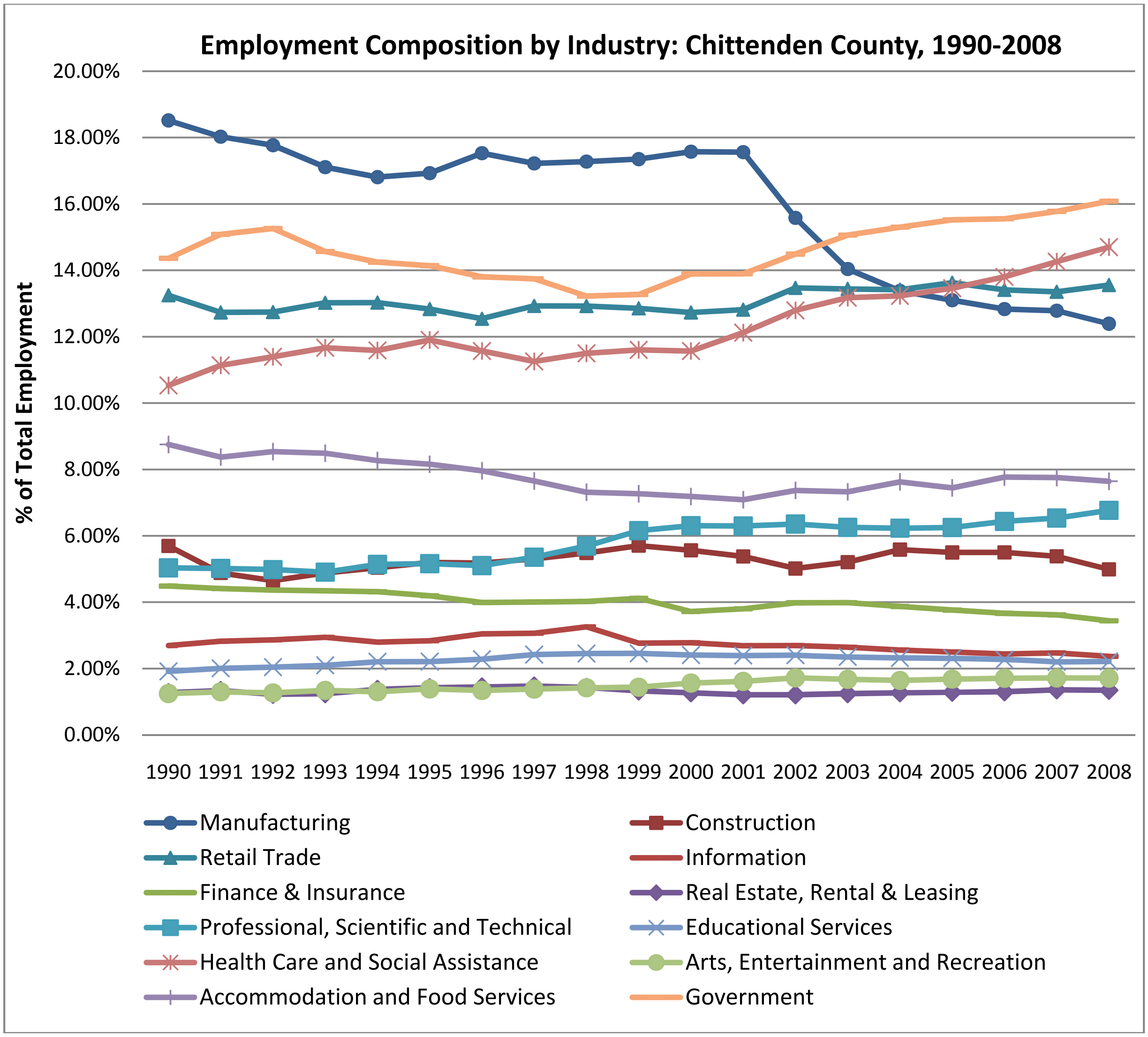
Source: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages, Note: UVM is considered government employment in this chart.



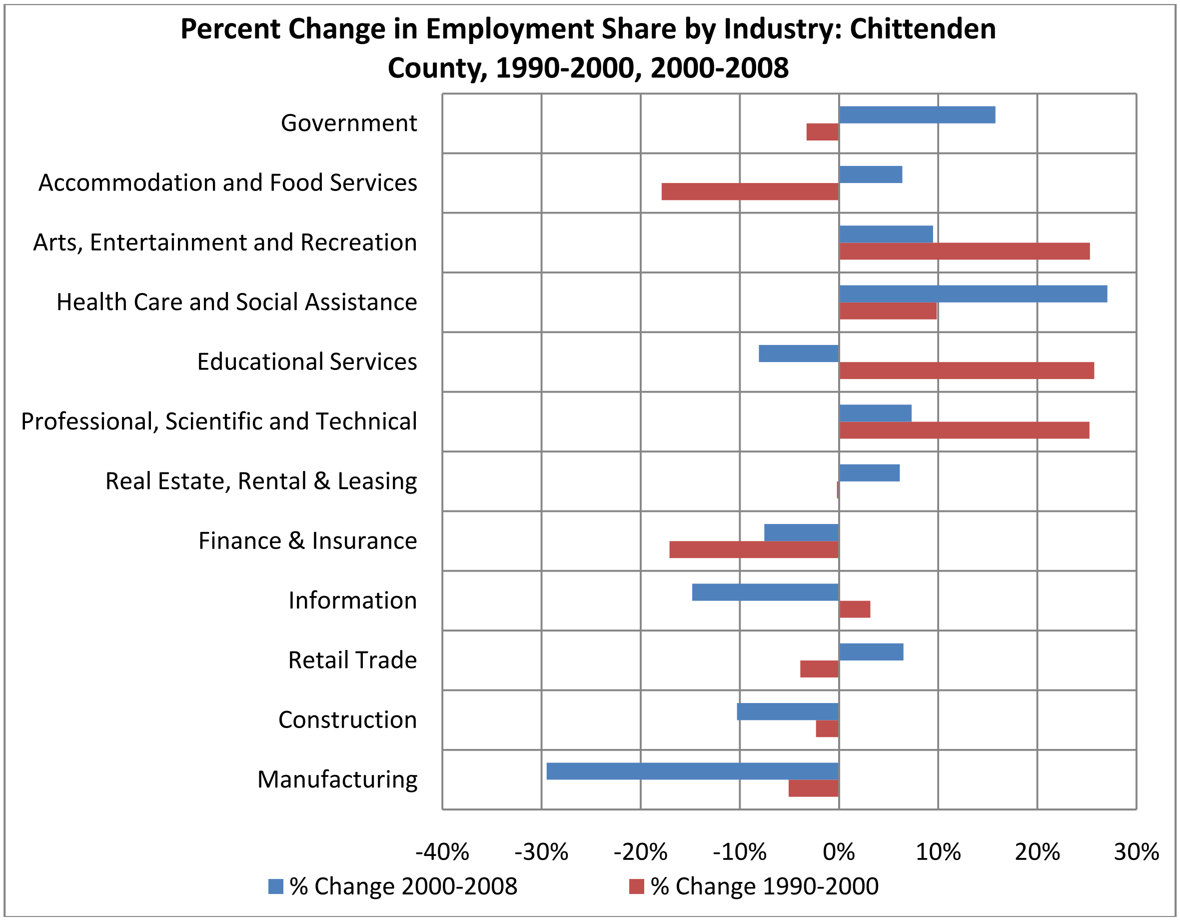
Source: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages

4.2.2 Chittenden County

Comparing Chittenden County with Burlington shows some similarities as well as important differences. Manufacturing has drastically decreased after a small but steady decline in the 1990s, losing more than 25% of its share since 2000. This has been replaced by an increase in government and health care jobs, similar to what has occurred in Burlington. On the other hand, unlike in Burlington, professional, scientific and technical fields have increased, as has employment in real estate, rental and leasing.



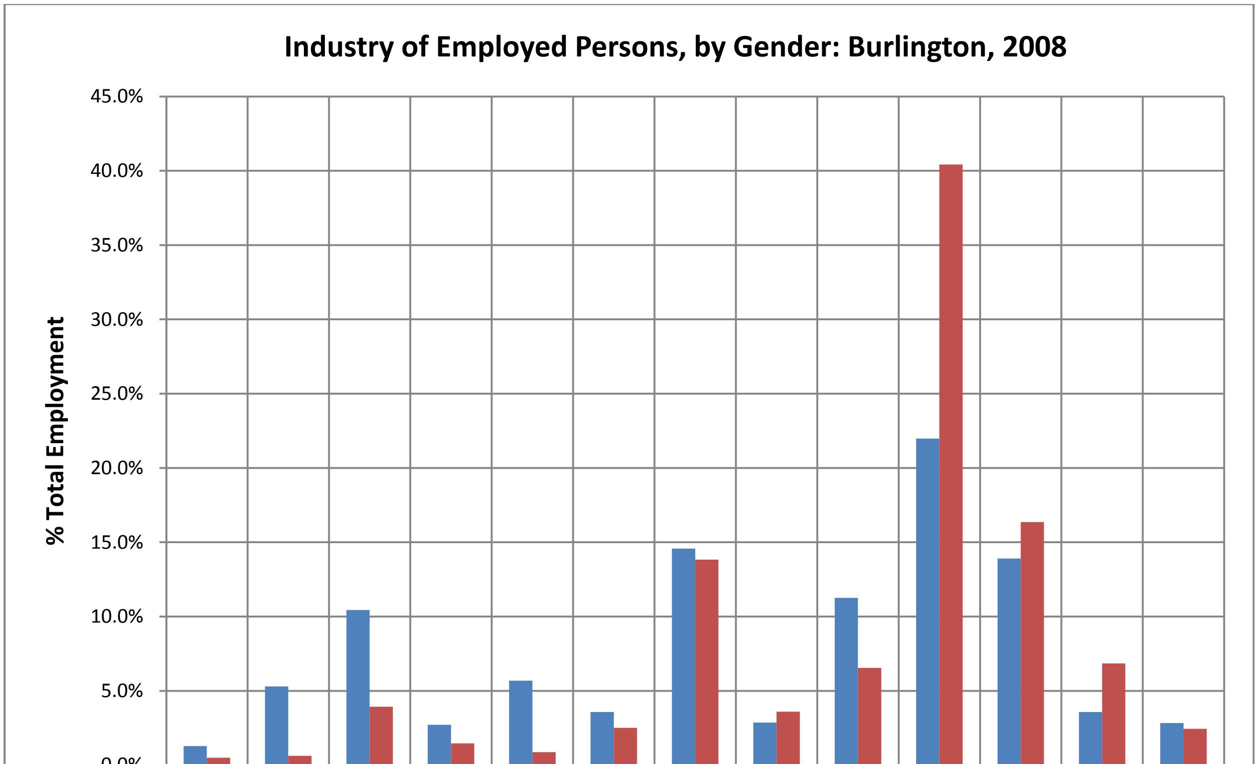
Source: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages



Source: Quarterly Census of Employment and Wages (QCEW) program, VT Department of Labor, Economic & Labor Market Information Office, Covered Employment and Wages

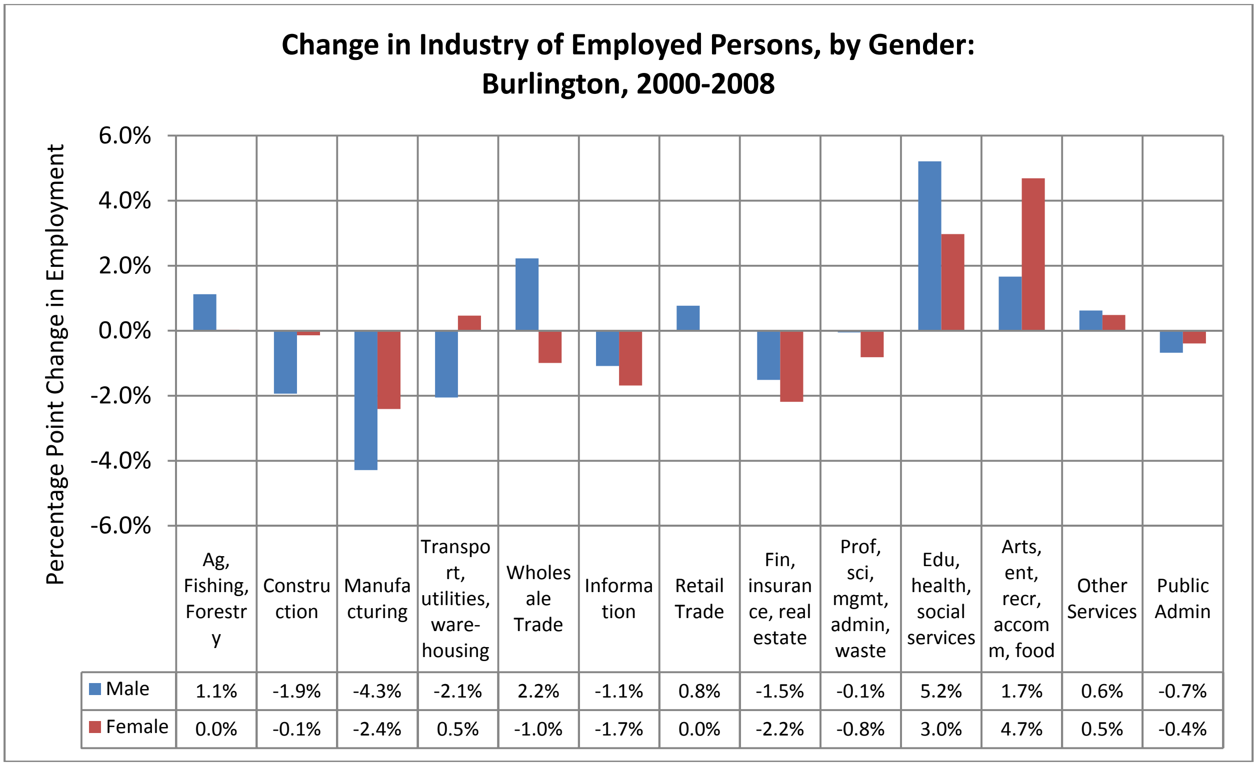
4.2.3 Industries by Gender

Substantially more women are employed in education, health and social services, while men dominate in manufacturing, construction, wholesale trade, and professional, scientific, management, and administration industries. Over the last decade, men have lessened the gap in education, health and social services, and increased their advantage in agriculture, forestry, and fishing as well as wholesale and retail trade. On the other hand, women have increased their share of arts, entertainment, recreation, accommodation and food employment, while losing fewer jobs in construction and manufacturing.



	Ag, Fishing, Forestry	Construction	Manufacturing	Transport, utilities, ware-housing	Wholesale Trade	Information	Retail Trade	Fin, insurance, real estate	Prof, sci, mgmt, admin, waste	Edu, health, social services	Arts, ent, recr, accom m, food	Other Services	Public Admin
Males	1.3%	5.3%	10.4%	2.7%	5.7%	3.6%	14.6%	2.9%	11.3%	22.0%	13.9%	3.6%	2.8%
Females	0.5%	0.6%	3.9%	1.5%	0.9%	2.5%	13.8%	3.6%	6.6%	40.4%	16.4%	6.9%	2.4%

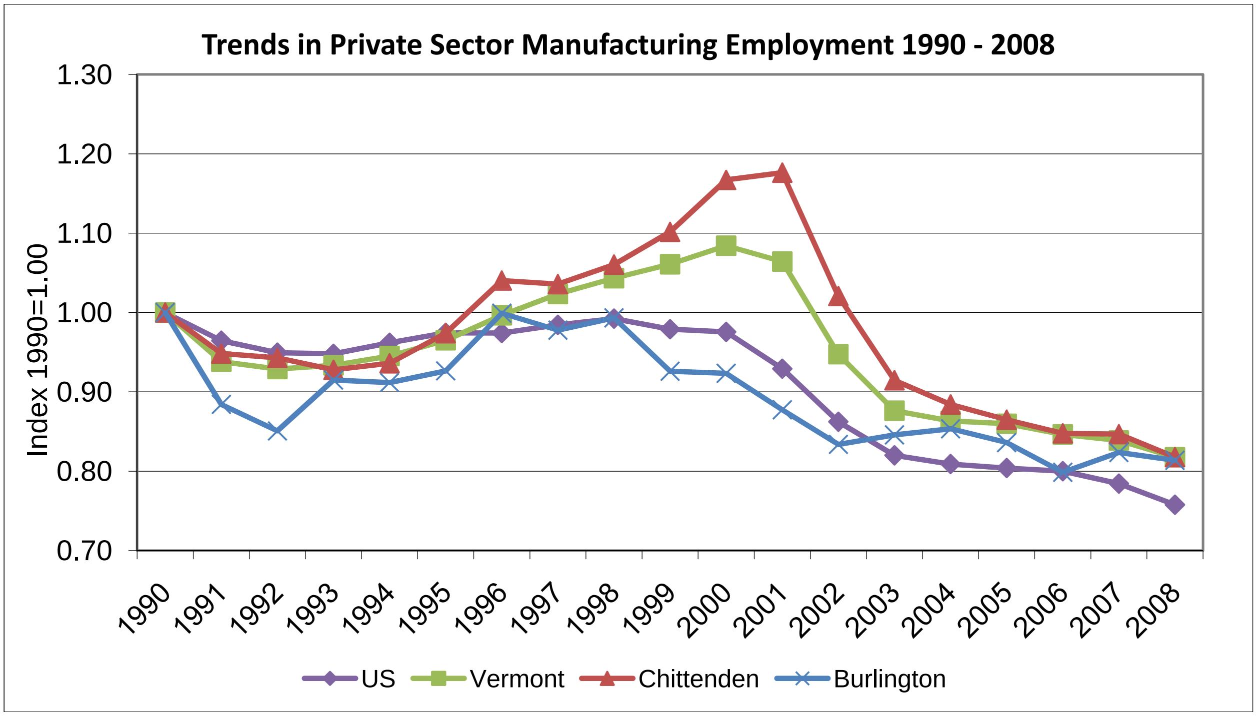
Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates.



Sources: U.S. Census Bureau, American Community Survey 2006-2008, 3-year estimates, US Census 2000

4.3 Key Industry Sectors
4.3.1 Manufacturing

In the last decade, manufacturing has declined throughout the country. However, an interesting phenomenon has occurred in Burlington, where manufacturing has remained relatively steady since 2002, actually increasing at times. The city has traditionally had lower levels of manufacturing than the rest of the county or state, but as of 2008, city, county and state levels are nearly equal at just over 80% of what they were in 1990. This remains above the US level, which is at 76% of 1990 employment.

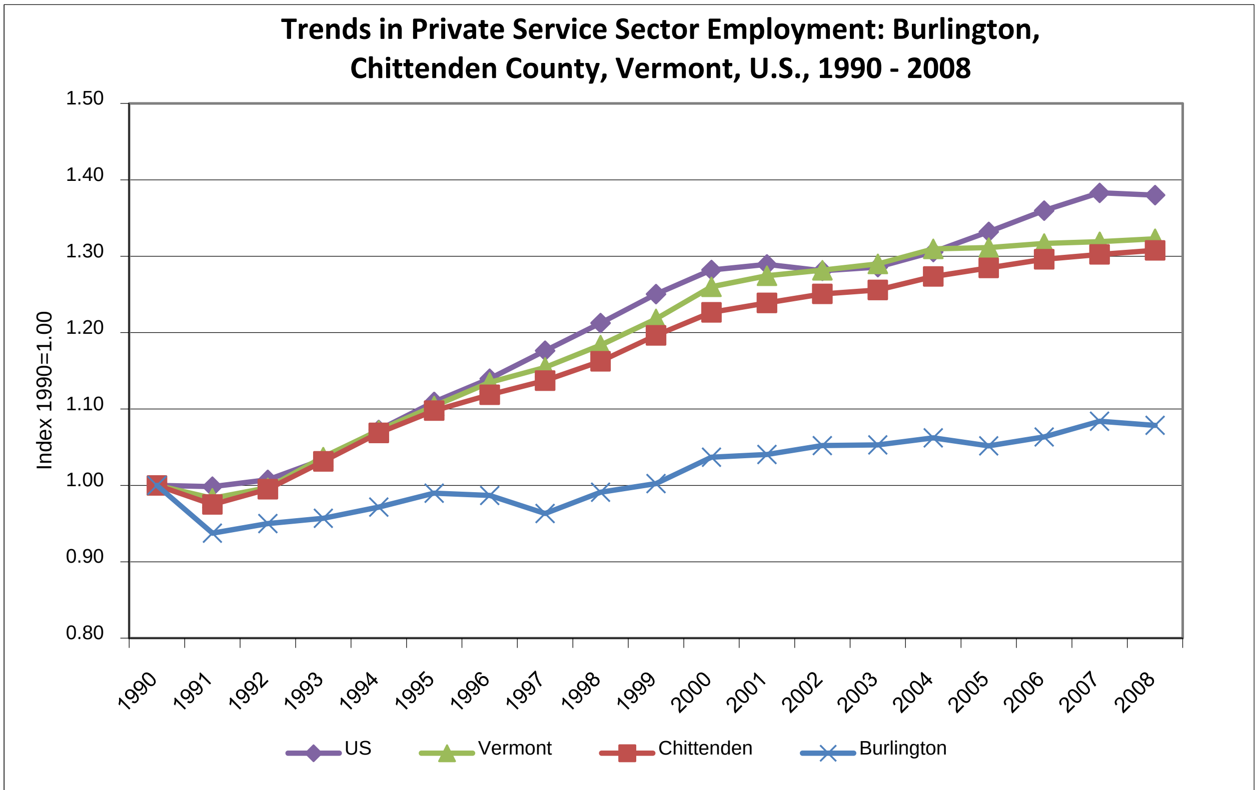


Sources: Burlington, Chittenden County: Current Employment Statistics (CES) program produced by the Vermont Department of Labor, Labor Market Information in cooperation with the U.S. Bureau of Labor Statistics. *Vermont:* cesvtnsa.xls Mar 6 07 Vermont, 1990-current, US, http://data.bls.gov/cgi-bin/srgate, Series ID, CEU4200000001

4.3.2 Service Sector

Service sector employment has grown by about 8% since 2000 in Burlington, Chittenden County, and Vermont, compared to 10% for the US as a whole. While Burlington's growth appears lower when using a base year of 1990, the city had little overall employment growth in the 1990s and relatively high rates of initial service employment. Regardless, the service sector plays an important and increasing role in the economy at all levels.

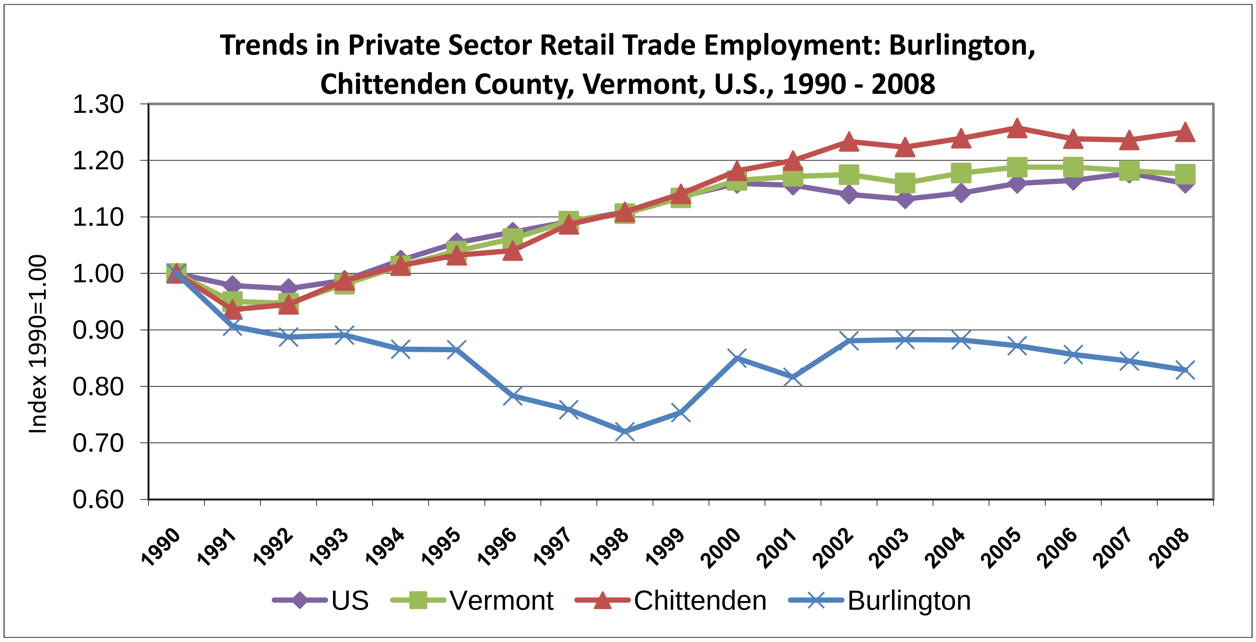
The Service sector composes more than half of US GDP, and includes employment that provides services to individuals or businesses. Examples of service sector employment include educational services, health care and social assistance, information, finance and insurance, and accommodation and food services. It does not include manufacturing, construction, retail trade, wholesale trade, or agricultural employment. This graph also excludes public sector employment.



Sources: Burlington, Chittenden County: Current Employment Statistics (CES) program produced by the Vermont Department of Labor, Labor Market Information in cooperation with the U.S. Bureau of Labor Statistics. *Vermont:* cesvtnsa.xls Mar 6 07 Vermont, 1990-current, US, http://data.bls.gov/cgi-bin/srgate, Series ID, CEU4200000001

4.3.3 Retail Trade

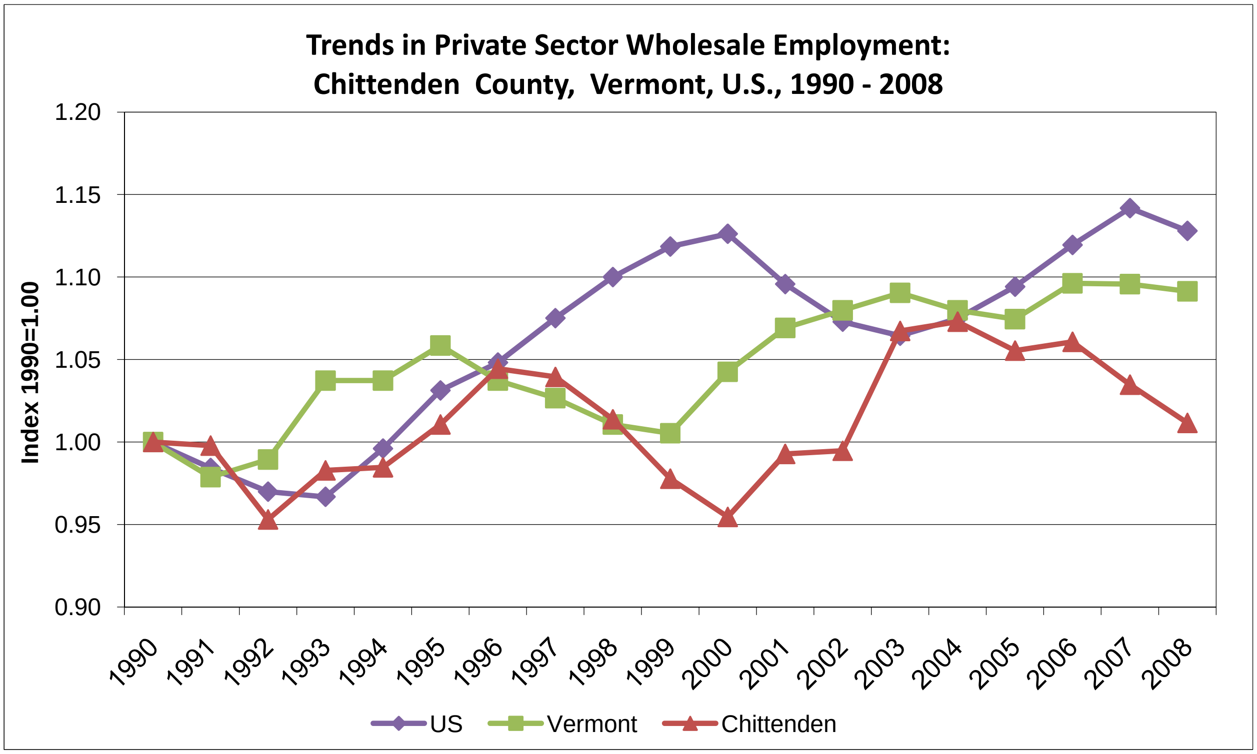
Retail trade has steadily declined in Burlington since 1990, even as employment grew in Chittenden County, Vermont, and nationally. While retail trade employment in Burlington rebounded in 2002 to near 1995 levels, since then Burlington retail trade employment has slightly declined, generally following national and Vermont trends.



Sources: Burlington, Chittenden County: Current Employment Statistics (CES) program produced by the Vermont Department of Labor, Labor Market Information in cooperation with the U.S. Bureau of Labor Statistics. *Vermont:* cesvtnsa.xls Mar 6 07 Vermont, 1990-current, US, http://data.bls.gov/cgi-bin/srgate, Series ID, CEU4200000001

4.3.4 Wholesale

From 2000 to 2004, wholesale employment rates in Chittenden County, which were at their lowest since 1990, steadily increased to Vermont and US levels (relative to 1990). Since 2005, however, the three groups have diverged. Chittenden County employment has decreased, while Vermont has remained steady and US wholesale employment has increased.



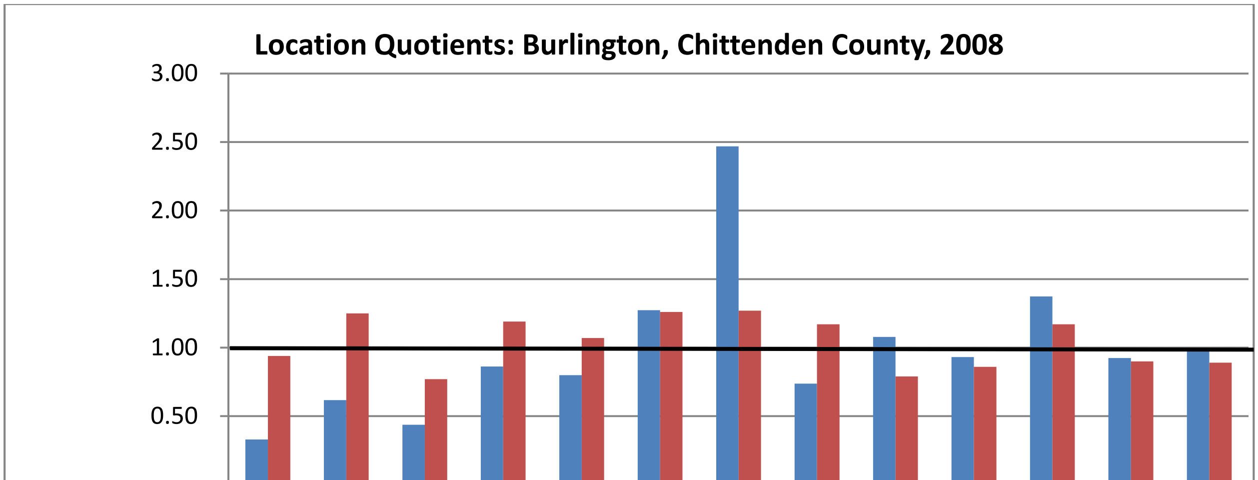
Sources: Burlington, Chittenden County: Current Employment Statistics (CES) program produced by the Vermont Department of Labor, Labor Market Information in cooperation with the U.S. Bureau of Labor Statistics. *Vermont:* cesvtnsa.xls Mar 6 07 Vermont, 1990-current, US, http://data.bls.gov/cgi-bin/srgate, Series ID, CEU4200000001

4.4 Location Quotients

Location quotients measure the extent to which urban areas specialize in particular industries. They are defined as the percentage of total employment engaged in a particular industry divided by the corresponding percentage for the nation as a whole. An LQ of 1.0 would suggest that all of the city's production is consumed within the city and none is exported. However an LQ of 5.0 would suggest that 1/5th is consumed locally and the rest is exported. We should note that the charts and figures below only take private employment into account.

Burlington primary export sectors are service-based. Its export categories are educational services, health care and social assistance, finance and insurance, and professional and technical services, which all have a higher concentration than is found at the county level. Health care is particularly important, with a location quotient of nearly double the Chittenden County value.

On the other hand, the county's main exports are manufacturing; retail trade; information; education; health; arts, entertainment and recreation; and professional and technical services. The service areas are relatively competitive to Burlington's values, but the production occupations are where the county is relatively strong, even in areas such as construction and wholesale trade which aren't exports but are more represented than in Burlington.

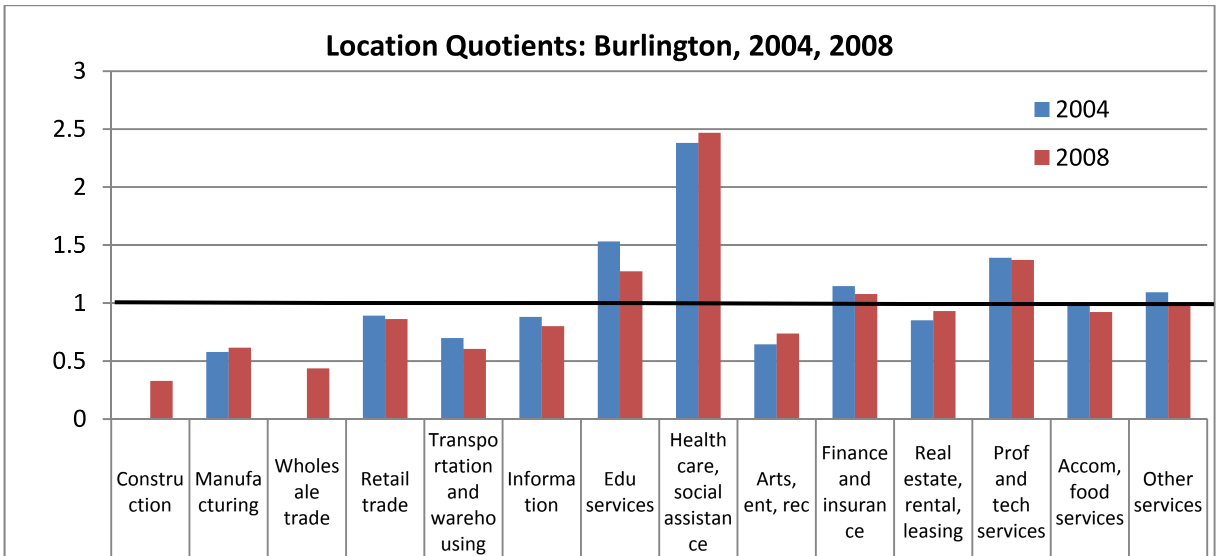


	Construction	Manufacturing	Wholesale trade	Retail trade	Information	Edu services	Health care, social assistance	Arts, ent, rec	Finance and insurance	Real estate, rental, leasing	Prof, tech services	Accom, food services	Other services
Burlington	0.33	0.62	0.44	0.86	0.80	1.27	2.47	0.74	1.08	0.93	1.37	0.92	0.98
Chitt. Cty	0.94	1.25	0.77	1.19	1.07	1.26	1.27	1.17	0.79	0.86	1.17	0.9	0.89

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) and LQ Calculator, 2008; Vermont Department of Labor Quarterly Census of Employment and Wages, 2008; US BLS data used as base data for industry share

4.4.1 Burlington

Looking at the Burlington economy from 2004 to 2008, growing export sectors (LQ>1) include health care and social assistance. Growing import sectors (LQ<1) include manufacturing; arts, entertainment and recreation; and real estate rental and leasing. Declining export sectors include educational services, finance and insurance, professional and technical services, and other services. Declining import sectors include retail trade, transportation and warehousing, information, and accommodation and food services. We should also note that education only includes private educational services. Taking into account both public and private employment, the 2004 Education LQ for Burlington was 1.95, and the 2008 LQ was 1.99, making it a significant (and growing) industry.

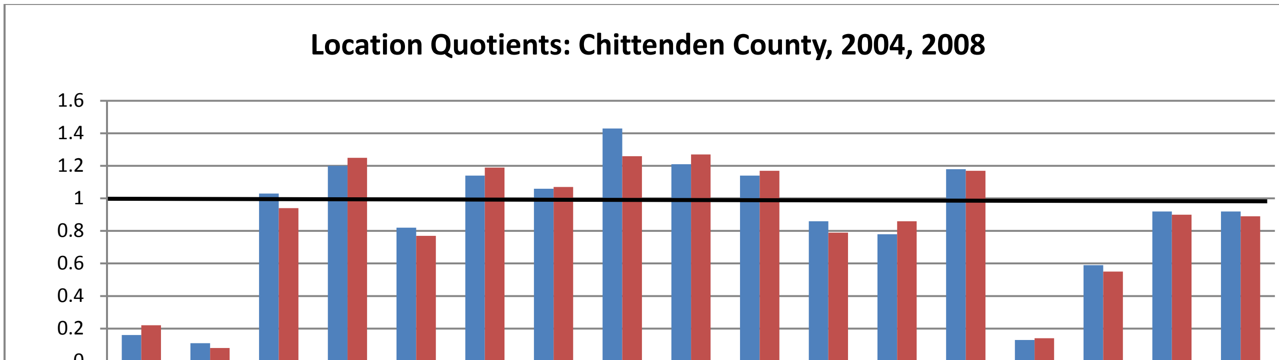


	Construction	Manufacturing	Wholesale trade	Retail trade	Transportation and warehousing	Information	Edu services	Health care, social assistance	Arts, ent, rec	Finance and insurance	Real estate, rental, leasing	Prof and tech services	Accom, food services	Other services
2004		0.58		0.89	0.70	0.88	1.53	2.38	0.64	1.15	0.85	1.39	0.98	1.09
2008	0.33	0.62	0.44	0.86	0.61	0.80	1.27	2.47	0.74	1.08	0.93	1.37	0.92	0.98

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) and LQ Calculator, 2008; Vermont Department of Labor Quarterly Census of Employment and Wages, 2008; US BLS data used as base data for industry share. Note: Construction and Wholesale Trade Location Quotients were unavailable in 2004.

4.4.2 Chittenden County

For the Chittenden County economy, growing export sectors include manufacturing, retail trade, information, and health care and social assistance. Growing import sectors include agriculture, forestry, and fishing, real estate rental and leasing, and management of companies and enterprises. Declining export sectors include construction, educational services, and professional and technical services. Declining import sectors include mining, wholesale trade, finance and insurance, administrative and waste services, accommodation and food services, and other services.



	Ag, Forestry, Fishing	Mining	Construction	Manufacturing	Wholesale trade	Retail trade	Information	Edu services	Health care, assistance	Arts, ent, rec	Finance and insurance	Real estate, rental, leasing	Prof, tech services	Mgmt, companies, enterprises	Admin and waste services	Accom, food services	Other services
2004	0.16	0.11	1.03	1.2	0.82	1.14	1.06	1.43	1.21	1.14	0.86	0.78	1.18	0.13	0.59	0.92	0.92
2008	0.22	0.08	0.94	1.25	0.77	1.19	1.07	1.26	1.27	1.17	0.79	0.86	1.17	0.14	0.55	0.9	0.89

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW) and LQ Calculator, 2008; Vermont Department of Labor Quarterly Census of Employment and Wages, 2008; US BLS data used as base data for industry share

4.5 Burlington Detailed Employment Data

This chart provides a more specific look at Burlington private and public sector employment by industry. We should note that education only refers to education services in the private sector data, and that University of Vermont and other public school employment falls under the government sector.

Employment by Industry: Burlington 2010 Q1

Source: Quarterly Census of Employment and Wages (QCEW) program, Vermont Department of Labor, Economic & Labor Market Information Office, in cooperation with the U.S. Bureau of Labor Statistics.

Code	NAICS	2010 Q1	% change 2009 Q1
--	Total Covered - all ownerships	31,677	-0.9
	Private ownership		
--	Private ownership	23,501	-0.9
--	Goods Producing	2,041	-1.6
236	Construction of buildings	75	-2.6
238	Specialty trade contractors	258	5.3
31-33	Manufacturing	1,690	-2.9
--	Durable Goods	1,218	-1.7
332	Fabricated metal product manufacturing	569	-5.2
--	Non-Durable Goods	471	-6.2
311	Food manufacturing	308	-6.4
323	Printing and related support activities	132	-14.3
--	Service Providing	21,460	-0.8
42-49, 22	Trade, Transportation, and Utilities	3,324	-3.5
42	Wholesale trade	443	-3.1
423	Merchant wholesalers, durable goods	288	-4.3
424	Merchant wholesalers, nondurable goods	113	0
425	Electronic markets and agents and brokers	42	0
44-45	Retail trade	2,639	-3
441	Motor vehicle and parts dealers	103	10.8
442	Furniture and home furnishings stores	114	15.2
444	Building material and garden supply stores	102	5.2
445	Food and beverage stores	706	-2.1
446	Health and personal care stores	147	-3.9
447	Gasoline stations	141	7.6
448	Clothing and clothing accessories stores	685	-1.7
451	Sporting goods, hobby, book and music stores	297	-1.7
453	Miscellaneous store retailers	146	-36.5
454	Nonstore retailers	178	3.5
48-49	Transportation and warehousing	242	-10
485	Transit and ground passenger transportation	91	-16.5
492	Couriers and messengers	11	0
51	Information	492	-8.7
511	Publishing industries, except Internet	292	-18.2
512	Motion picture and sound recording industries	22	-4.3
517	Telecommunications	137	19.1
52-53	Financial Activities	1,637	-4.3
52	Finance and insurance	1,325	-3.2
522	Credit intermediation and related activities	697	-0.6

523	Securities, commodity contracts, investments	265	-10.5
524	Insurance carriers and related activities	362	-2.4
53	Real estate and rental and leasing	312	-8.5
531	Real estate	235	-6
54-56	Professional and Business Services	3,319	4.3
54	Professional and technical services	2,438	4.2
541	Professional and technical services	2,438	4.2
561	Administrative and support services	693	5.6
61-62	Education and Health Services	9,330	-0.6
61	Educational services	804	1.8
611	Educational services	804	1.8
6111	Elementary and secondary schools	87	2.4
6116	Other schools and instruction	64	10.3
62	Health care and social assistance	8,526	-0.8
621	Ambulatory health care services	2,967	-4
624	Social assistance	784	-8.1
71-72	Leisure and Hospitality	2,387	-0.3
71	Arts, entertainment, and recreation	257	-13.5
711	Performing arts and spectator sports	179	-13.1
72	Accommodation and food services	2,131	1.5
721	Accommodation	115	-1.7
722	Food services and drinking places	2,015	1.7
81	Other services, except public administration	971	-0.1
811	Repair and maintenance	45	-13.5
812	Personal and laundry services	255	-2.3
813	Membership associations and organizations	639	4.6
814	Private households	32	-31.9

Government total			
--	Government total	8,176	-1
Federal government			
--	Federal Government	827	-4.6
--	Service Providing	827	-4.6
42-49, 22	Trade, Transportation, and Utilities	286	-9.5
48-49	Transportation and warehousing	286	-9.5
488	Support activities for transportation	45	2.3
491	Postal service	242	-10.7
92	Public administration	540	-2
921	Executive, legislative and general government	38	18.8
922	Justice, public order, and safety activities	217	-15.9
923	Administration of human resource programs	25	4.2
924	Administration of environmental programs	10	25
925	Community and housing program administration	4	33.3
926	Administration of economic programs	204	11.5
928	National security and international affairs	43	0

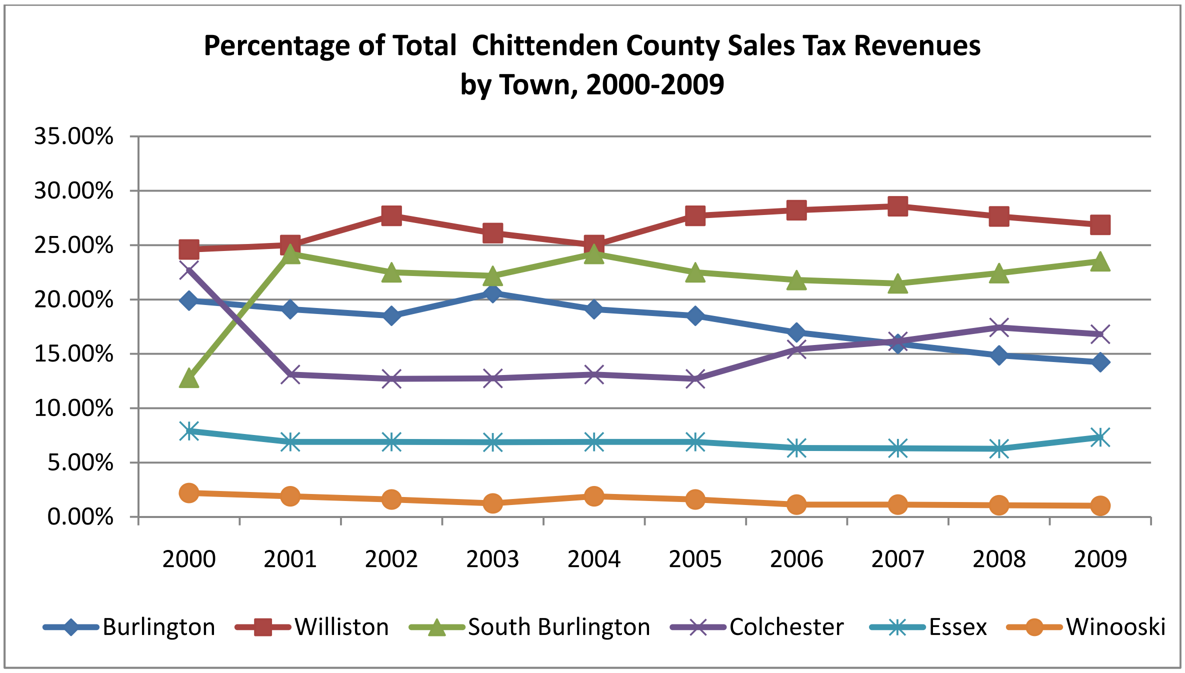
State government			
--	State government	5,330	-0.9
--	Service Providing	5,330	-0.9
52-53	Financial Activities	40	-2.4
52	Finance and insurance	40	-2.4
522	Credit intermediation and related activities	40	-2.4
54-56	Professional and Business Services	110	-3.5
54	Professional and technical services	50	2
56	Administrative and waste services	60	-7.7
61-62	Education and Health Services	4,674	0.1
61	Educational services	4,439	0.3
6112	Junior colleges	99	7.6
6113	Colleges and universities	4,340	0.2
62	Health care and social assistance	235	-3.7
621	Ambulatory health care services	82	6.5
624	Social assistance	153	-8.4
92	Public administration	507	-8.2
922	Justice, public order, and safety activities	174	-4.9
923	Administration of human resource programs	275	-9.2
926	Administration of economic programs	33	-8.3
928	National security and international affairs	25	-16.7

Local government			
--	Local government	2,019	0
--	Goods Producing	166	5.1
23	Construction	166	5.1
237	Heavy and civil engineering construction	166	5.1
--	Service Providing	1,853	-0.4
42-49, 22	Trade, Transportation, and Utilities	237	2.2
48-49	Transportation and warehousing	110	3.8
485	Transit and ground passenger transportation	110	3.8
22	Utilities	127	0.8
61-62	Education and Health Services	1,019	1.4
61	Educational services	1,019	1.4
6111	Elementary and secondary schools	1,019	1.4
71-72	Leisure and Hospitality	130	-5.1
71	Arts, entertainment, and recreation	130	-5.1
713	Amusements, gambling, and recreation	130	-5.1
92	Public administration	467	-3.9
921	Executive, legislative and general government	186	-12.7
922	Justice, public order, and safety activities	217	3.3
924	Administration of environmental programs	4	0
925	Community and housing program administration	60	1.7

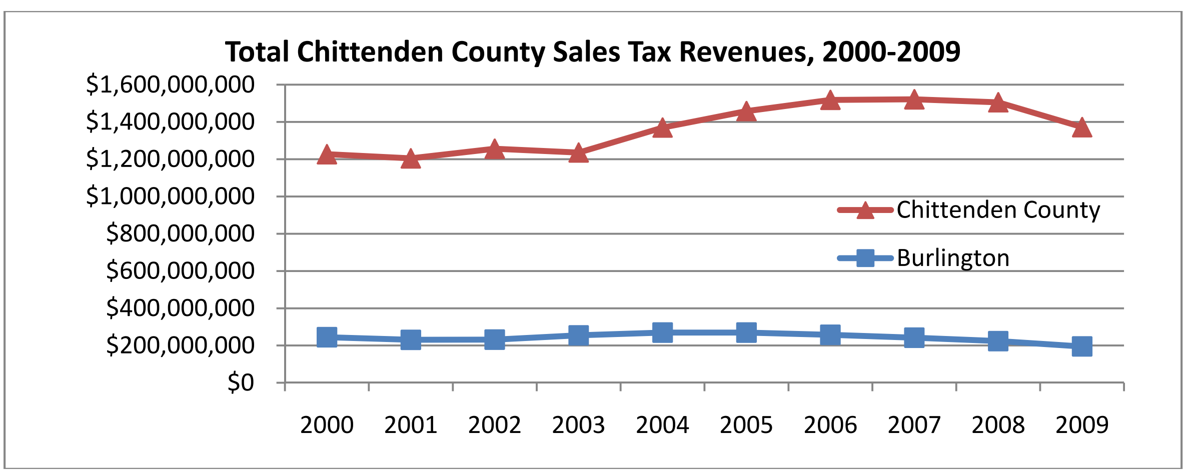
5 DOWNTOWN AND BUSINESS DISTRICTS

5 Downtown and Business Districts
5.1 Tax Revenues
5.1.1 Sales Tax

Burlington has gradually declined in the percentage of total Chittenden County sales tax revenues it receives. In the last several years, Williston revenue has also begun to decline, while Colchester and South Burlington revenues have increased. Overall, Burlington revenues have decreased slightly since 2005 and are below 2000 levels. Chittenden County revenues have also decreased in the last several years, although the county did experience a period of growth from 2003 to 2007.



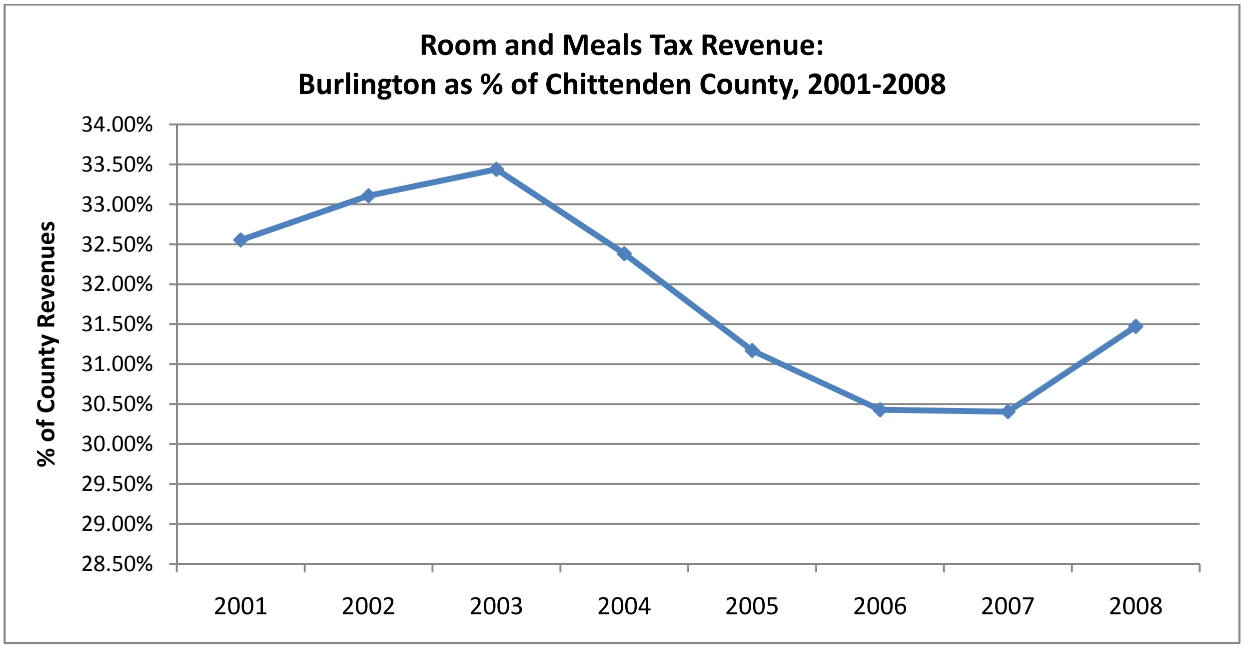
Source: Vermont Department on Taxes; "2000-2009 Sales and Use tax information;" http://www.state.vt.us/tax/statisticss&umult.shtml



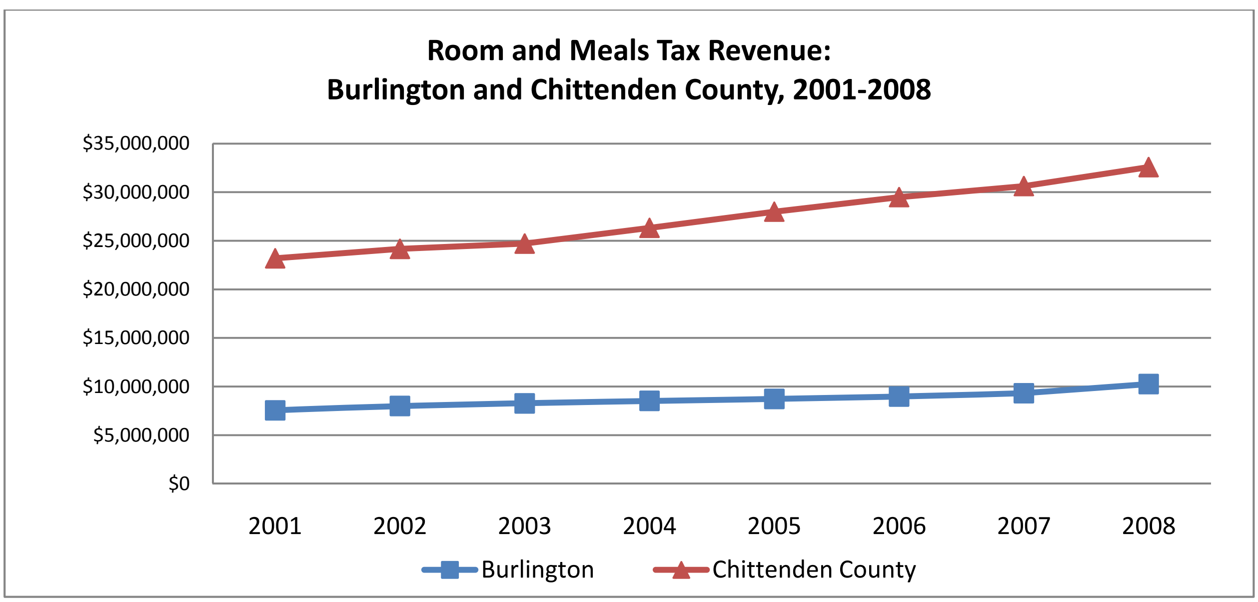
Source: Vermont Department on Taxes; "2000-2009 Sales and Use tax information;" http://www.state.vt.us/tax/statisticss&umult.shtml

5.1.2 Room and Meals Tax

While Room and Meals Tax revenues have gradually increased over the past decade, Burlington's revenues as a percentage of Chittenden County's earnings have fluctuated. Revenues hit a high at 33.5% in 2003, but fell to below 30.5% in 2007 before rebounding in 2008. Overall, Burlington averaged about 4.5% growth in revenue, compared to nearly 5.0% growth at the county level.



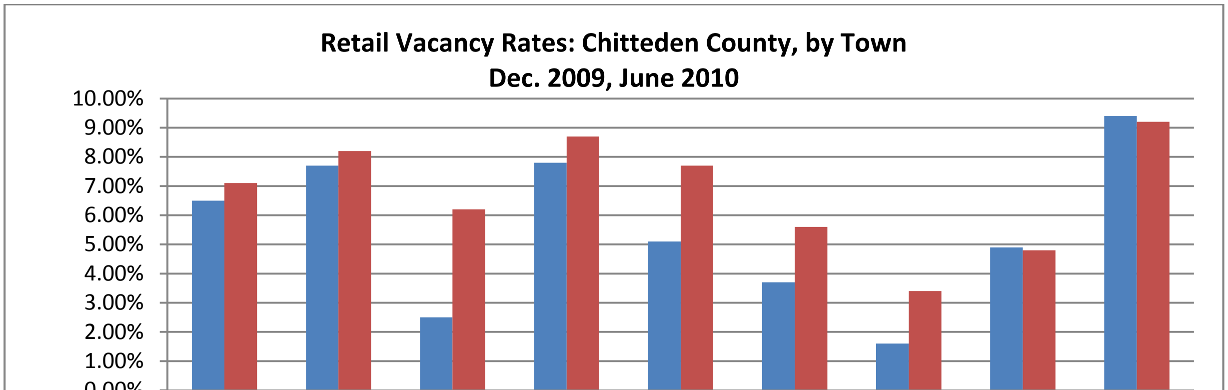
Source: Vermont Department of Taxation, Fiscal Year (Updated) with Alcohol, Chittenden County data is from the Department's Biennial Reports.



Source: Vermont Department of Taxation, Fiscal Year (Updated) with Alcohol, Chittenden County data is from the Department's Biennial Reports.

5.2 Vacancy Rates

Retail vacancy rates have increased from December 2009 to June 2010; however, Burlington CBD (Central Business District) rates remain close to their historical average of 8.5% (Allen and Brooks Report, June 2010). While Burlington has felt some impact from the recent recession, the city has added substantially less commercial and office space in recent years than the suburbs and has less excess supply. However, office space vacancy rates in Burlington's CBD have increased from 5.3% in December 2009 to 8.3% in June 2010. This remains below the Chittenden County average of 12.8%, but is at a five-year high two percentage points above its historical average of 6.3% (Allen and Brooks Report, June 2010).



	Chittenden County	Burlington CBD	Burlington Non CBD	Colchester	Essex	Milton	Shelburne	South Burlington	Williston
Dec. 2009	6.50%	7.70%	2.50%	7.80%	5.10%	3.70%	1.60%	4.90%	9.40%
Jun-10	7.10%	8.20%	6.20%	8.70%	7.70%	5.60%	3.40%	4.80%	9.20%

*Winooski (too high to plot on graph) 2009: 51% 2010: 23%
Source: Allen and Brooks, June 2010

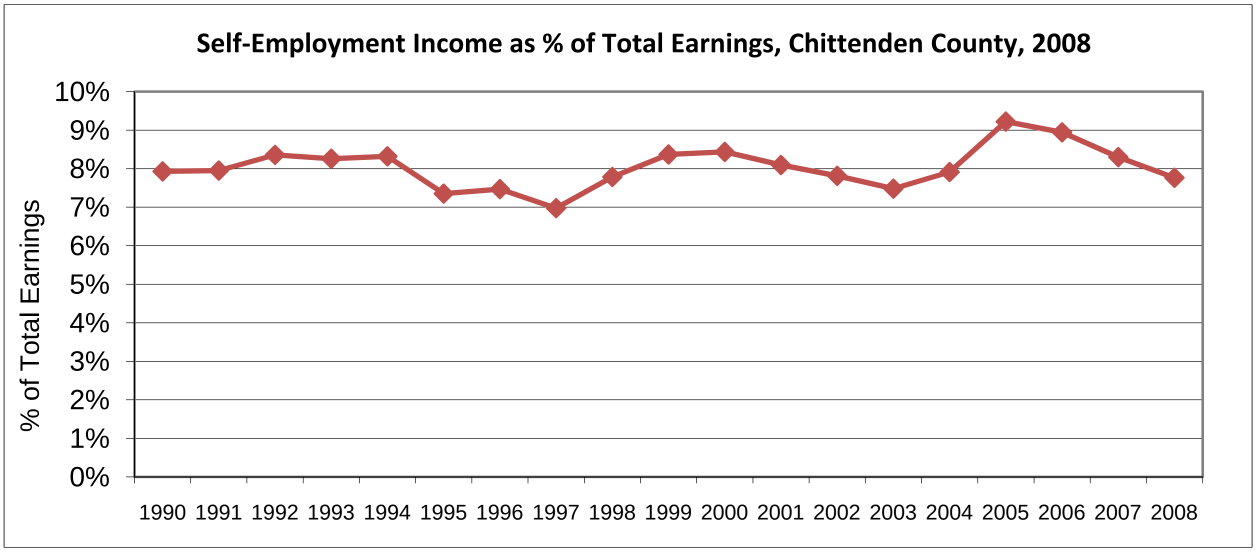
New Office Space Development, Chittenden County, 2000-2009		
	Burlington	Suburbs
2000	25,000	348,000
2001	16,000	119,000
2002		111,000
2003		99,000
2004		70,000
2005	80,000	207,000
2006		63,000
2007		276,000
2008	25,000	341,000
2009		229,000
Total	**146,000**	**1,863,000**
10-yr Average	14,600	186,300

Source: By permission from Allen and Brooks, December 2009

6 ENTREPRENEURSHIP AND SMALL BUSINESS

6 Entrepreneurship and Small Businesses
6.1 Self-Employment

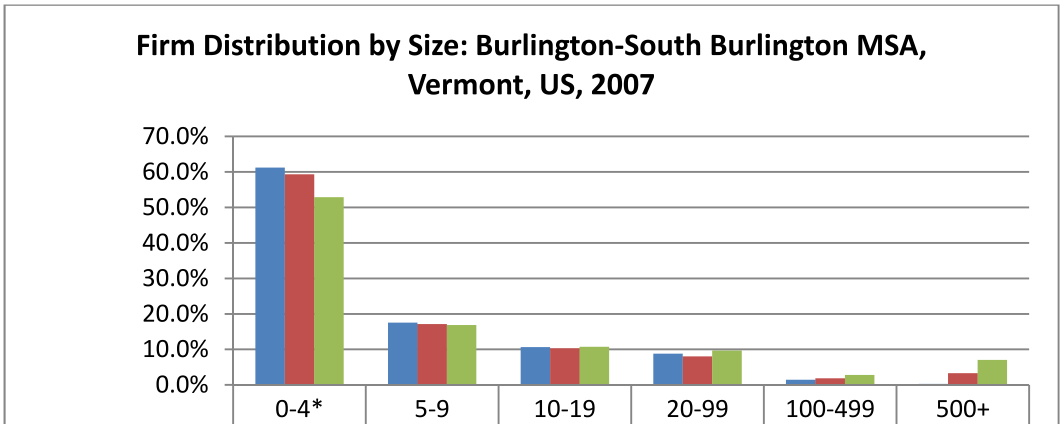
While self-employment income has fluctuated, it has generally followed a similar pattern over the last two decades. As of 2008, self-employment income was just below 8% of total earnings, which is similar to what it was during the early 1990s and early 2000s. Self-employment income most recently peaked at just over 9% of total income in 2005.



Sources: US Department of Commerce, Bureau of Economic Analysis, Regional economic profiles, Table CA30, 2008

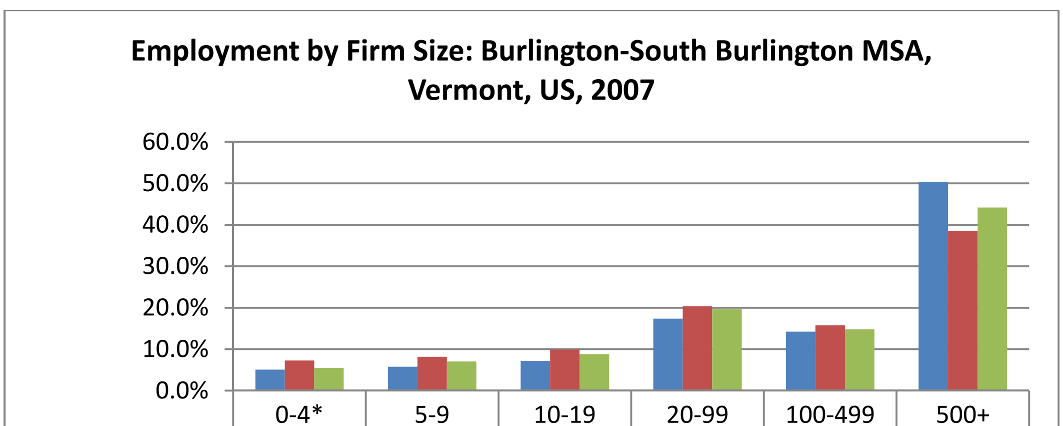
6.2 Firm Size

While the Burlington-South Burlington Metropolitan Area (Burlington-South Burlington MSA) and Vermont employment by firm size generally matches national employment patterns, there are a few interesting discrepancies. First, the Burlington Metro Area has substantially more firms employing 500 or more people than at the state or national level; however, it has relatively fewer individuals who are employed by firms with 500 or more people than at the national level. The Burlington Metro Area also has relatively fewer firms with zero to four employees compared to the state or national distribution.



	0-4*	5-9	10-19	20-99	100-499	500+
United States	61.2%	17.5%	10.7%	8.8%	1.5%	0.3%
Vermont	59.3%	17.1%	10.3%	8.0%	1.9%	3.3%
B-SB MSA	52.9%	16.9%	10.7%	9.7%	2.8%	7.1%

Source: U.S. Small Business Administration, Office of Advocacy, based on data provided by the U.S. Census Bureau.



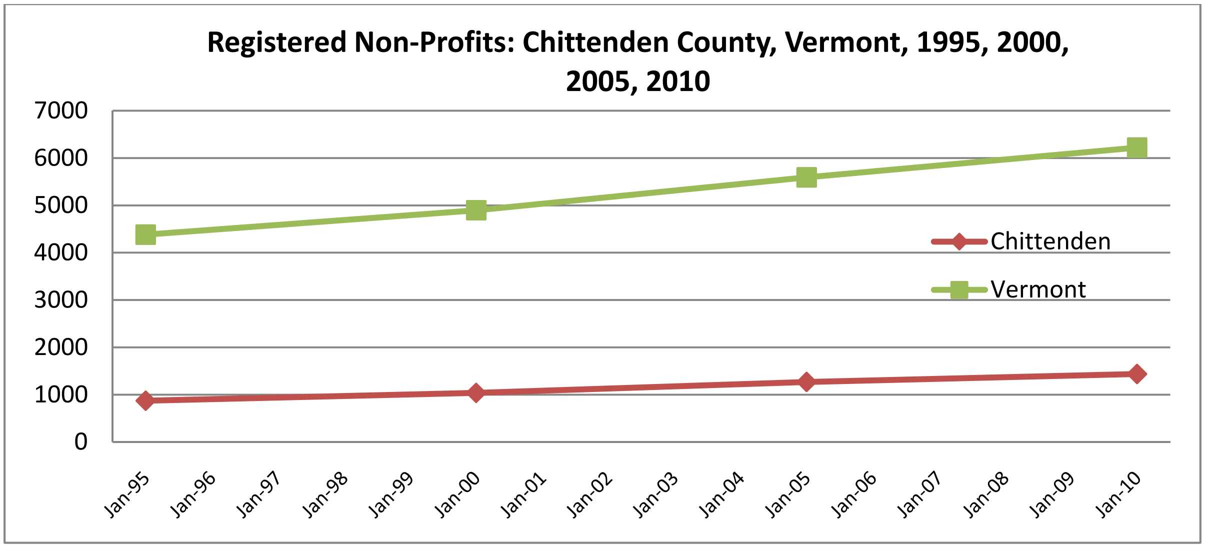
	0-4*	5-9	10-19	20-99	100-499	500+
United States	5.1%	5.8%	7.2%	17.3%	14.2%	50.4%
Vermont	7.3%	8.1%	9.9%	20.4%	15.8%	38.6%
B-SB MSA	5.5%	7.0%	8.8%	19.7%	14.8%	44.2%

Source: U.S. Small Business Administration, Office of Advocacy, based on data provided by the U.S. Census Bureau.

7 NON-PROFIT AND GOVERNMENT EMPLOYMENT

7 Non-Profit and Government Employment
7.1 Non-Profit Growth

Chittenden County has substantially more non-profit organizations per capita than the nation as a whole, a gap which has been increasing steadily since 1995 with growth rates at times nearly double those of the rest of the country. However, this growth seems to have been slowing slightly from 2005 to 2010. Vermont has even more non-profits per capita than Chittenden County, although it may be overtaken in the coming years as its growth rate has been slower than the rest of the nation.



Registered Non-Profits and Percent Growth of Registered Non-Profits: Chittenden County, Vermont, 1995, 2000, 2005, 2010

Registered Non-Profits			
	Chittenden	Vermont	US
Aug-95	871	4,381	1,066,808
May-00	1038	4,897	1,211,937
Nov-05	1269	5592	1,409,645
Jan-10	1437	6221	1,581,825
Non-profits per 10,000 people: Jan-10	98.04	102.18	56.21
% Growth in Registered Non-Profits			
	Chittenden	Vermont	US
1995-2000	19.2%	11.8%	13.6%
2000-2005	22.3%	14.2%	16.3%
2005-2010	13.2%	11.2%	12.2%

Source: Internal Revenue Service, Exempt Organizations Business Master File (Aug-95, May-00, Nov-05, Jan-10)The Urban Institute, National Center for Charitable Statistics, http://nccsdataweb.urban.org/ ©2010

7.2 Major Non-Profit Employers

The majority of the major Burlington non-profit employers are involved in education, health care, or social services. While not all of the individuals employed by these companies are Burlington residents, it is clear that the organizations below play an important employment role in the community that goes beyond the services they provide.

Fletcher Allen Health Care is by far the largest employer in this group, with the Community Health Center also employing a significant number of workers. Champlain College and Burlington College are also major employers. A broad range of social service agencies, from non-profits offering direct service, housing or legal assistance, or job training programs, are also included in this list.

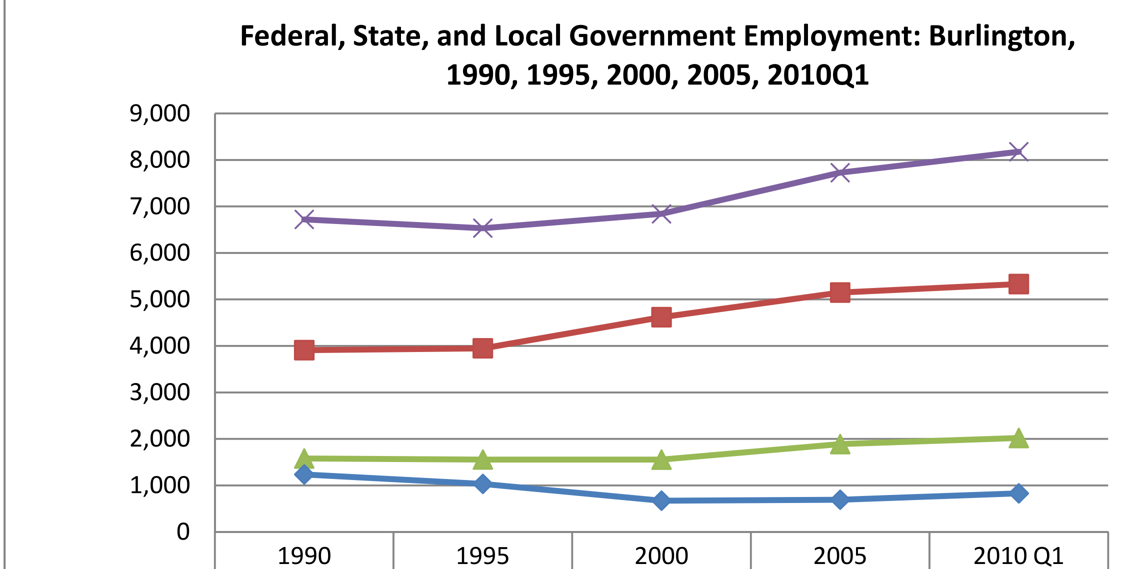
2008 Major Burlington-Based Non-Profit Employers

	# Employees
Fletcher Allen Health Care Inc	6877
HowardCenter Inc	1017
Greater Burlington Young Men's Christian Association Inc	690
Champlain College Inc	505
Vermont Energy Investment Corp	179
Vermont Catholic Charities Inc	153
Spectrum Inc Spectrum Youth & Family Services	130
Resource A Non-profit Community Enterprise Inc	121
Community Health Center of Burlington Inc	117
Burlington College	109
Flynn Center for the Performing Arts Ltd	94
Vermont Legal Aid Inc	75
Champlain Housing Trust	73

Source: National Center for Charitable Statistics at the Urban Institute; 2008 IRS Form 990 images provided by The Foundation Center. Note: This list is not exhaustive and was generated from a list of all registered Burlington non-profits and sorted by Gross Receipts. Employment figures were calculated for the 50 largest organizations.

7.3 Federal, State, and Local Government Employment

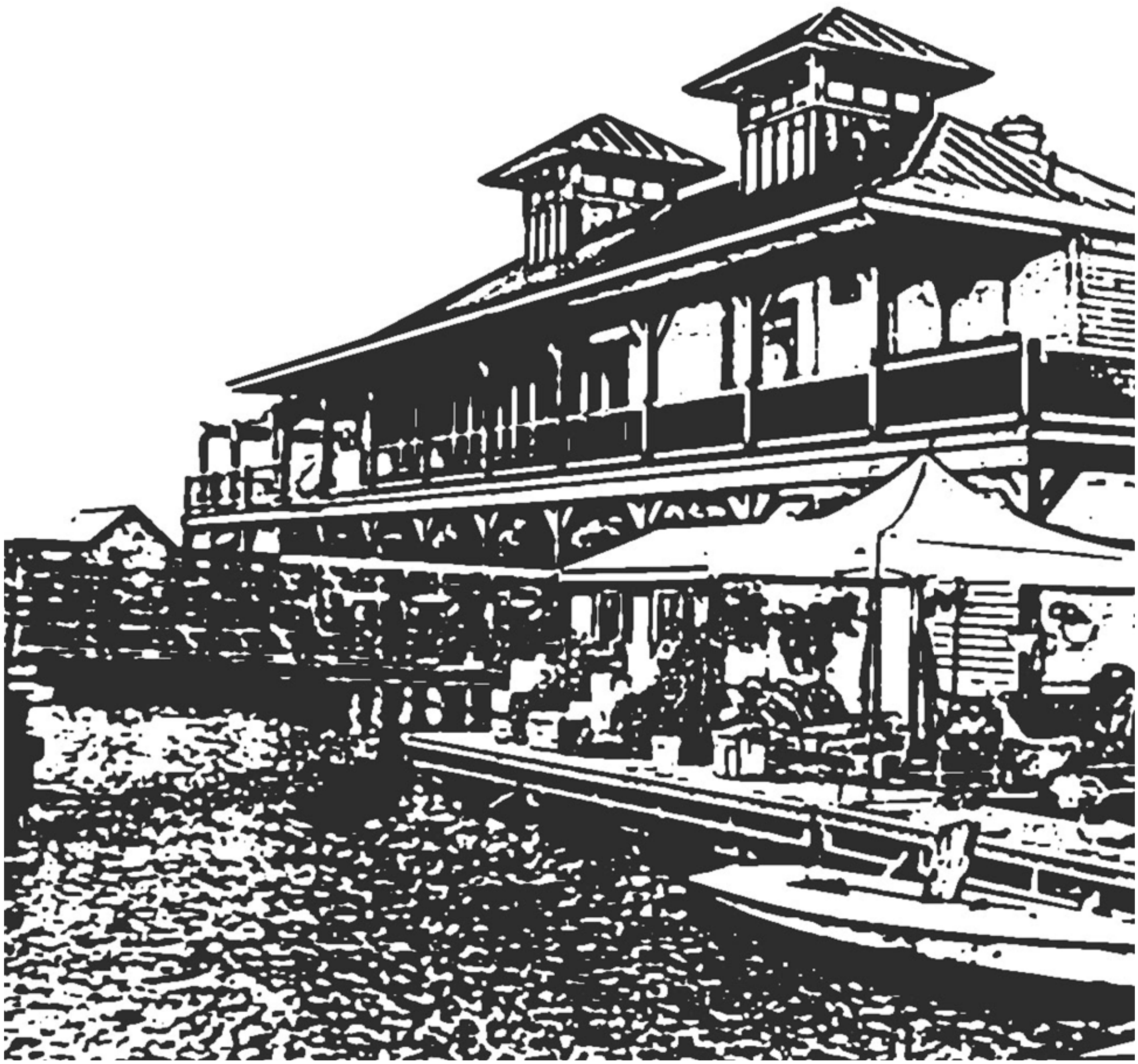
As of the first quarter of 2010, 65% of government employment in Burlington was at the state level, 25% was at the local level, and 10% was at the federal level. These percentages have changed significantly since 1990. Local and state employment has increased by about thirty percent, while federal employment has fallen by about thirty percent, although it has rebounded some since 2005.



	1990	1995	2000	2005	2010 Q1
Local	1,577	1,555	1,553	1,888	2,019
State	3,909	3,948	4,618	5,149	5,330
Federal	1,234	1,030	669	690	827
Total	6,720	6,533	6,840	7,727	8,176

Source: Quarterly Census of Employment and Wages (QCEW) program, Vermont Department of Labor, Economic & Labor Market Information Office, in cooperation with the U.S. Bureau of Labor Statistics.

CONCLUSIONS



Conclusions

This latest update to the Jobs and People Report Series provides encouraging signs about the state of the Burlington economy. Total employment has increased by 5% since 2000, and private employment has increased by 2%, with total growth outpacing county, state, and national figures. Burlington has persistently low unemployment (the 7th lowest rate of 372 national metropolitan areas as of August 2010), high average wages (the second highest in Chittenden County as of 2008), and strong public and non-profit sector employment.

However, there are a significant number of residents who are not being fully served by, and/or fully contributing to, the Burlington economy. Unemployment rates for young individuals are very high, with the number of unemployed individuals 16-19 doubling since 1990. While per capita income has increased at the county and state level, it has fallen in Burlington—although it is difficult to measure the effects of a growing student population. The Burlington poverty rate has continued to increase, and while individuals are more likely to live in poverty (22.5%) compared to state and national numbers, the family rate has increased by 32.3% since 1999 (to 13.8% of families).

The service sector dominates the Burlington economy, with more than two-thirds of total employment. While wages in white collar fields like professional, scientific, and technical services have increased, wages in the retail and arts sectors have declined. Burlington's major export sectors remain education and health care, both of which have experienced moderate but steady wage growth. Education is particularly important in a service-based economy, and while Burlington has a high share of college graduates, changes in the education status of residents appear to have stabilized. In the future, more efforts will need to be made to increase education and training opportunities as well as in finding alternative pathways to stable employment that pays a livable wage. We should note that a gender gap in unemployment appears to be widening (to 7.8% for men and 5% for women). Women are more likely to be employed in the growing service sector; however, industries with higher rates of male employment have declined.

The Burlington economy's resiliency may be due to its path of slow but steady growth. While the Burlington downtown has lost some ground to the rest of the county, it appears to be stable in terms of vacancy rates and tax revenues. Rapid growth is unlikely, but following a path of deliberate development should lead to continued low vacancy rates and prevent any major imbalances. Even as it was surpassed by county levels in expansionary times, job growth and wages in Burlington have improved compared to Chittenden County since the recession. In fact, there are signs that Chittenden County's rapid growth over the last few decades may be slowing as its population stabilizes and its birth rate falls.

An interesting finding is that the Burlington-South Burlington Metropolitan Area has substantially more firms employing more than 500 people (as a percentage of total firms) than in Vermont or the US, but that employment (by firm size) shows no major discrepancies with state and national patterns. There are also relatively fewer firms employing 1-4 workers. Further research could be done to see what role this may play in Burlington's economy.

Chittenden County and Vermont have substantially more non-profit organizations per capita than the nation as a whole. At the county level, a gap has been increasing steadily since 1995 with growth rates at times nearly double those of the rest of the country. The majority of major Burlington non-profit employers are involved in education, health care, or social services. These organizations play an important employment role in the community, in addition to the services they provide, and there should be further exploration of connections between private, public, and non-profit organizations that operate in the same industries.

The majority of government employment in Burlington is at the state level, a number which has increased quite a bit in the last two decades. Local government plays a smaller role in total employment, and it has increased steadily over this time period. Federal employment has actually fallen quite a bit since 1990, but it has rebounded some since 2005.