

**VERMONT ECONOMIC PROGRESS COUNCIL**  
**AGENDA FOR BOARD MEETING**  
**MARCH 26, 2009**  
**NATIONAL LIFE BUILDING**  
**CALVIN COOLIDGE CONFERENCE ROOM**  
**6<sup>TH</sup> FLOOR, NORTH LOBBY**  
**MONTPELIER, VT**  
**9:30 A.M. TO 2:00 P.M.**

**Members Present:** Betsy Gentile (11:00 a.m.), Mark Young, Mary Lintermann, Karen Marshall, Chris Keyser, Carl Rosenquist, Rachel Smith

**Attending By Phone:** None

**Members absent:** Stephan Morse, Nancy Port

**Staff:** Fred Kenney; Sharon Batdorff; John Kessler, ACCD Counsel

**Others:** Mathew Barewicz, EPRI; Carrie Violette, Town of Milton Economic Development Director; Sanford Miller, Town of Milton Manager; Tim Robinson, Durasol Awnings; Robin Scheu, ACEDC

---

**9:45 a.m.** Karen Marshall called the meeting to order and asked if there was any public comment. Hearing none, she proceeded to the next item.

**9:46 a.m.** Mark made a motion to approve the January 22, 2009 meeting minutes. Chris seconded and the motion carried 6-0-0.

**9:47 a.m.** Mark made a motion to approve the February 26, 2009 meeting minutes. Chris seconded and the motion carried 6-0-0.

**9:48 a.m.** Mark made a motion to enter Executive Session to discuss new VEGI applications, citing Title 1, Section 313, Subsection 6. Rachel seconded and the motion carried 6-0-0.

**10:15 a.m.** Mark made a motion to exit executive session. Mary seconded and the motion carried 6-0-0.

**10:17 a.m.**

**Durasol Awnings, Middlebury, Initial Application**

Mark made a motion to approve an Initial Application from Durasol Awnings, giving initial authorization of maximum incentives of \$245,796, with an estimated incentive of \$225,313 based on application data, having determined that the applicant met the But For and program guidelines and that the project will generate a minimum net revenue benefit of \$125,919. Chris seconded and the motion carried 6-0-0.

**10:21 a.m.** Mark made a motion to enter Executive Session to discuss VEGI applications and an EATI Performance Evaluation, citing Title 1, Section 313, Subsection 6. Mary seconded and the motion carried 6-0-0.

10:34 a.m. Carl made a motion to exit executive session. Mark seconded and the motion carried 6-0-0.

**10:35**

**ASK-intTag, LLC, Essex, Final Application**

Chris made a motion to approve a Final Application from ASK-intTag, LLC, giving final authorization of maximum incentives of \$533,722, with an estimated incentive of \$452,207 based on application data, having determined that the applicant met the But For and program guidelines, that the differences between the Initial and Final applications are not material or substantial and do not require the But For to be reopened for review, and that the project will generate a minimum net revenue benefit of \$263,998. Carl seconded and the motion carried 6-0-0.

**10:38 a.m.**

**Vermont Transformers, Inc., St. Albans, Final Application**

Carl made a motion to approve a Final Application from Vermont Transformers, Inc., giving final authorization of maximum incentives of \$267,569, with an estimated incentive of \$253,557 based on application data, having determined that the applicant met the But For and program guidelines, that the differences between the Initial and Final applications are not material or substantial and do not require the But For to be reopened for review, and that the project will generate a minimum net revenue benefit of \$55,910. Rachel seconded and the motion carried 6-0-0.

**10:40 a.m.**

**VERMED (Medical Devices Partners, Inc.)**

Mary made a motion to recommend to the Department of Taxes that no credits, whether earned in 2007 or in carry-forward, be allowed to be applied for tax year 2007 because the employment expectations have not been met; credits earned in 2004 – 2006 that are in carry-forward should be allowed to remain in carry-forward with the possibility to be applied in 2008 and future years if, after review of 2008 activity, the company is found to have met cumulative employment expectations; unearned credits should remain available to be earned in 2008, if the activity occurs to earn the credits and if, after review, the company is found to have met cumulative employment expectations. Mark seconded and the motion carried 6-0-0.

**10:45 a.m.** The Council took a five minute break

**10:50 a.m.** The Council re-convened and Fred Kenney gave the Board a legislative update. The Board discussed the transition from VEPC to the Economic Incentive Review Board (EIRB).

**11:00 a.m.** Betsy Gentile joined the meeting.

**11:10 a.m.** Karen made a motion that the legislative intent to transition the Vermont Economic Progress Council (VEPC) to the Economic Incentive Review Board be implemented, except that in the interest of saving state funds and being good stewards of taxpayer dollars during an economic downturn, any implementation of rebranding VEPC to the EIRB not be undertaken at this time. Betsy seconded and the motion carried 7-0-0.

**11:15 a.m.** The Council considered an application submitted by the Town of Milton for an extension of the existing North (Husky) and South (Catamount) TIF District as provided by Section 2j of Act 184 of the Acts of the 2005 Adj. Session (2006) and amended by Section 68 of Act 190 of the Acts of the 2007 Adj. Session (2008). Upon submittal and presentation of the application by the Town of Milton to the Council, and examination of the application by the Council, the Council finds:

- That the application is from the Town of Milton and is to extend by 10 years the period of time during which incremental property tax revenues may be retained and utilized to pay for existing TIF infrastructure debt of the existing North (Husky) and South (Catamount) TIF Districts that were originally approved by VEPC on November 19, 1998, effective April 1, 1999.
- That the legislative body of the Town of Milton passed a resolution on January 1, 2009 to extend the North and South TIF Districts for 10 years.
- That the extension does not contemplate the incurrence of any new debt.
- That the extension does not contemplate the initiation of any new infrastructure projects that were not included in the original TIF application, and all planned infrastructure projects will serve the TIF District.
- That the extension does not contemplate the addition of any new parcels to the Districts or any change to the boundaries of the Districts.
- That of any incremental education property tax revenue retained, 75% will be used to pay for TIF debt or related costs, and 25% will go to the Education Fund.
- That of any incremental municipal property taxes retained, 75% will be used to pay for TIF debt or related costs, and 25% will go to the Town of Milton General Fund.
- That the application is consistent with the intention of the TIF District extension enacted by the General Assembly and effective upon application by the town of Milton.

**11:49 a.m.** Mark Young made a motion to acknowledge receipt of an application submitted by the Town of Milton for an extension of the existing North (Husky) and South (Catamount) TIF Districts, consistent with Section 2j of Act 184 of the Acts of the 2005 Adj. Session (2006) as amended by Section 68 of Act 190 of the Acts of the 2007 Adj. Session (2008). Chris seconded and the motion carried 7-0-0.

**11:50 a.m.** Council moved to continue consideration of the Town of Milton Town Core TIF Application.

Karen Marshall reviewed consideration to date and asked if there is Board consensus that the following criteria are met:

- Purpose
- But For
- Process Criteria
- Project Criteria 1, 2, and 5

The Board agreed that these criteria can be considered met.

The Board discussed the proportionality criteria and the rough proportionality matrix developed by staff. Chris asked that the numerical references in the matrix also include the word description of the rating. Rachel and Karen suggested that an additional rating be added for impact on overall public purpose of the TIF.

The Board agreed in concept with the matrix and the resulting percentages. Staff will revise the matrix and present any changes at the next meeting.

The Board continued consideration of the application and discussed nexus. Fred discussed the various nexus perspectives including:

- Connecting infrastructure to real property development – which developments are served by which infrastructure projects. Can be direct or indirect.
- Connecting real property development to the TIF – which developments help meet the overall goals of the TIF, such as infill and affordable housing.
- Connecting parcels to infrastructure and real property development. If there is no potential development and no direct linkage to an infrastructure project, should the parcel be included in the TIF?

John Kessler suggested that the Board also consider what state interests are advanced and is it substantially advancing it – the purpose of a TIF overall.

Mary also suggested that a parcel could also be included even if there is no known development project for that site because the development of infrastructure will allow for or change the highest and best use of the property. Carl suggested that a sewer line, for example, could result in higher density development where it could not occur prior to the TIF.

The Board discussed at length a letter from the Smart Growth Collaborative and entered it in public comment on the TIF Application.

The Board and the town discussed the factors contributing to the design of the TIF, development from a regional prospective, and restrictions on development of the land surrounding the core.

The Board discussed the documents and definitions referenced by the letter and the criteria under which TIFs must be considered. The Board also discussed the processes engaged in by the town such as zoning and planning during which parties had the opportunity to raise objections.

The Board discussed several specific parcels and whether they should be excluded from the TIF for reasons of lack of nexus or because inclusion would mean the TIF would not meet the Location Criteria.

The Board concluded that if the TIF is approved, the Council would have to approve the TIF with certain parcels excluded. The process a municipality has to follow to get a TIF approved locally excludes the possibility of requiring the municipality to go back and get a redrawn TIF approved locally. However, the

municipality and the Board will have to ensure that the TIF finances are still viable when reviewing the TIF District Finance Plan.

The Board requested further information from Milton regarding several parcels and their connection to planned or existing infrastructure.

Consideration of the application will continue at the April meeting.

The Board decided to reschedule the April meeting from April 23 to April 30 and asked staff to make all required changes and arrangements.

**1:25 p.m.**

Betsy made the motion to adjourn the meeting. Chris seconded and the motion carried 7-0-0.

*Minutes taken by Sharon Batdorff: 3/26/2009*

*Revised by Fred Kenney: April 7, 2009*

*Approved by the Board: April 30, 2009*