



By Jerry LeBlond

KILLINGTON LAST OPEN IN THE EAST

The May Day Slalom last Sunday, May 1, was a celebration of spring skiing at its finest. The sun was bright and temps reached the mid-60s! Killington is now the only resort open in the East. On Monday, May 2, it will begin Friday through Sunday operations only. This year's season started on Nov. 5, for 178 days open — and counting!

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Don't forget: Mother's Day is Sunday, May 7. Check out the various events in our area.

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CINCO DE MAYO

Cinco de Mayo is Thursday, May 5. The yearly celebration commemorates the anniversary of the Mexican army's victory over the French Empire at the Battle of Puebla in 1862. Festivals and dances are customary, but locally many sip a festive cocktail.

Wonderfeet Kids' Museum plans move to Merchants Row

By Katy Savage

Wonderfeet Kids' Museum is moving from Center Street in Rutland to Green Mountain Power's Energy Innovation Center on Merchants Row, tripling the size of the museum to 9,000 square feet and expanding programming.

"We've been in the building we're currently in for seven years," Wonderfeet Executive Director Danielle Munroe said. "We truly use every inch of the space we've got. To a large extent, the programming we offer now has been limited by our size. We don't have enough room to be able to have a school field trip here at the same time the museum is open to the public."

GMP's Energy Innovation Center was previously a community space used for colleges, Rutland organizations and school groups, while Wonderfeet used the upstairs of the innovation center for camps and programs.

Munroe said Green Mountain Power offered Wonderfeet the opportunity to lease the space for \$1 for the next 10 years with an option to extend the lease for \$1 for 10 years after that.

Wonderfeet 4

"It's really much more than us moving into the space," Munroe said. "It's a partnership with Green Mountain Power. They're continuing the investment they have made in downtown."

The move will start in early 2023. Munroe said Wonderfeet will have a dedicated classroom for school trips as well as a conference room for staff trainings so the museum can be open while school groups are visiting. There will also be six new exhibits in the new space, including



Submitted

Children learn at Wonderfeet.



By Dan Lovell, Killington Resort

Killington Resort got a jump on the clean up effort by hosting a Spring Clean-Up Day, April 22.

Vermonters are challenged to step up on Green Up Day

Green Up Day is a 52-year-old Vermont tradition that spans generations of volunteers and continues to impact our landscape and quality of life. This Saturday, May 7, grab a friend and your green Green Up bags and head out to beautify a local roadside.

"Many residents have been contacting the Green Up Vermont office, concerned about the amount of trash on the roadsides this spring, looking for Green Up Day supplies and information, and also a solution. I can't tell you the number of times I have heard 'what kind of person thinks it is OK to roll down the window and toss their trash into the environment,'" Green Up Vermont Executive Director Kate Alberghini said. "It is indeed disappointing and there is no good answer, other than continuing to work year-round on a variety of initiatives inclusive of continuing to promote the ever-so important Green Up Day, and extend education for waste reduction."

The 2021 Green Up Day statistics showed trash pickup increased by 70%.

Green up > 4

Size of proposed TIF district in Killington reduced

Town brands 'Killington Forward' as overarching plan to accomplish water, road and affordable housing — \$62.3 million of infrastructure financed by a combo of sources

By Polly Mikula

On Monday night, May 2, the town of Killington held its third public hearing for its proposed Tax Increment Financing (TIF) district and financing plan. The hearing outlined modifications to the town's TIF application to the state, which was initially approved by the Select Board at a public hearing in January.

The most significant modification was scaling back the size of the district and thereby the infrastructure projects that directly serve it. While the funding will only cover the first of four phases of the proposed municipal water system, the town is still moving forward with the full plan. All four phases of the Killington Road reconstruction still do support the TIF district.

The first phase of the water project brings the system from the flats on Route 4 up to the base of

Killington Resort to serve the Six Peaks Killington development. Phases 2-4 of the water project bring it all the way down Killington Road and a portion

"Tax Increment Financing ... is a funding mechanism that's going to make components of this possible but it's just one of the concurrent paths that the town is taking to achieve its missions," said Clarke.

of Route 4 to the west. Water quality and availability has limited business growth and development opportunities along Killington Road and is also needed to catalyze the development of affordable and workforce housing, which is why the town had

initially sought approval for a larger TIF district.

Limiting the size of the TIF district to the base of the mountain, means that Phases 2-4 of the water project now don't serve that district, and therefore can't utilize its funding mechanism.

But plans remain unchanged to build the infrastructure, town officials say. It will just be funded differently — and may even happen sooner as a result.

"What we are now calling Killington Forward is the essence of this entire initiative," said Stephanie T. Clarke, vice president of White + Burke Real Estate Advisors.

"The provision of clean water, a safe and accessible Killington Road, the creation of the village and affordable housing is the essence of Killington Forward. Tax Increment Financing ... is a funding

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Study: TIF programs increases Ed Fund and economic opportunity

The Vermont League of Cities and Towns (VLCT) released an independent analysis of Vermont's Tax Increment Financing (TIF) program Tuesday, April 19, that concluded that TIF helps Vermont meet its smart growth goals, promotes long-term planning, and contributes to net-growth in the Education Fund. The report comes as the Vermont Legislature considers expanding TIF to smaller, rural communities through "project-based TIF."

"VLCT commissioned the report to evaluate if the TIF program was meeting its intent of spurring development and growing tax revenues," said VLCT Executive Director Ted Brady. "The findings of the analysis support the continued use and expansion of the program. In short, it's advancing our codified development goals, encouraging communities to think long-term, and growing our tax base."

Brady explained that Vermont's TIF law allows municipalities to incur debt to make public infrastructure investments and repay that debt with a portion of the increased property tax revenue sparked by the new infrastructure.

There have been 12 cities/towns that have used TIF to spur development, thus far. They include: Newport City, St. Albans City, Burlington (two TIFs (Waterfront and Downtown), South Burlington, Winooski, Milton Town,

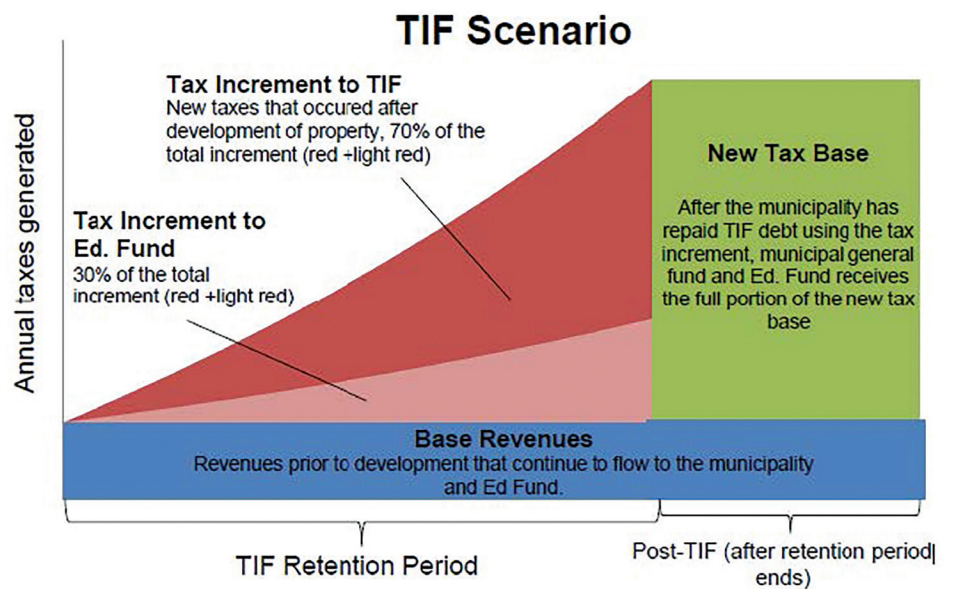
Milton North/South, Montpelier, Barre, Killington, Hartford, Bennington.

(Locally, Killington hopes to be approved by the state as a TIF district in the next few months, see related story, and Rutland City is in the beginning stages of evaluating the option as well.)

South Burlington City Manager Jessie Baker said: "In the six years studied by the University of Wisconsin research team, Vermont's TIF program paid for \$180 million in public infrastructure in 12 TIF districts, generating nearly \$685 million in development, nearly 4,000 jobs, and a 68% increase in property tax revenue for the Education Fund. The research team found that the Education Fund would be smaller if not for our state's TIF districts."

VLCT hired the Hartland, Vermont-based Rural Innovation Strategies (RIS) to complete the analysis. RIS partnered with the University of Wisconsin Oshkosh Center for Customized Research and Services.

Johnson Select Board Member Eric Osgood said he hoped a proposed project-based TIF pilot program in the Senate-passed version of H.159 would become law this year. The proposal would allow municipalities to apply to the Vermont Economic Progress Council (VEPC) for a relatively smaller TIF of up to \$5 million to build public infrastructure in a designated growth area or an industrial park.



Model by 2022 JFO

TIF growth in valuation exceeds the background growth rates. This demonstrates that the state unquestionably sees both a positive cash flow coupled with the promise of future revenue assessed against those higher levels of valuation, according to the 2022 Joint Fiscal Office.

Osgood said: "Johnson would be hard pressed to use the existing TIF program. As a Select Board member for a small rural community, I welcome the changes in H.159 that would right size the TIF program and TIF

requirements so that Johnson and other rural communities could have the same access to capital that the bigger communities in Vermont have had for nearly 40 years.

To read the full report, visit: vlct.org.

← Killington TIF: Modifications to TIF proposal were outline by the Killington Select Board at a public hearing on Monday, May 7; Killington Forward initiative branded from page 1

mechanism that's going to make components of this possible but it's just one of the concurrent paths that the town is taking to achieve its missions."

In summary, she said, the town of Killington still plans \$62.3 million of infrastructure investments, which it projects will catalyze \$285 million in increased property value. "And that is an incredible return on investment for the town," Clarke said.

Concurrent efforts

"The town is pursuing many concurrent efforts," Clarke explained. "It's actively pursuing catalyzing affordable housing, actively pursuing water funding, actively pursuing development agreements, and actively pursuing the water capacity testing... much of which we'll know more about in the next two months."

Efforts such as applying for a state/federal grant for the water system, which was submitted in December, are likely to have big payoffs soon.

A draft of The Vermont Clean Water State Revolving Fund Intended Use Plan Amendment, amended in March by the agency of natural resources, indicates that the town of Killington has the greatest need on the ARPA Village Water & Wastewater Project Priority List for its community drinking water system (scoring 135 priority points, the next closest was 87). The draft budgets four years of allocations from SFY2022-2025 for a total grant of \$23,489,430.

"It's just a draft, so we can't count on it yet, but that's grant money — we don't have to pay that back... it will significantly trim what we have to finance from other sources," said selectman Jim Haff. "We should know in the next 3-6 weeks."

Requirements of the grant include a fast timeline — completion of the water system would be done in 3-4 years, Haff said.

As plans for a municipal water system take shape, "The town has already started to take an active role in incentivizing affordable and workforce housing," Clarke added.

How will this affect my taxes?

One of the most common questions and concerns continues to be the affect and risk that taxpayers will have if the town invests the planned \$62.3 million in water and road infrastructure to spur development.

First, if the drafted water grant comes to fruition, it will reduce the total debt.

"I think when all is said and done, we could see our funding needs cut by a third or even a half of that \$62 million," Haff said optimistically.

The town hopes TIF will then help finance the full road project and Phase 1 of the water project.

Selectman Chris Karr added that even without grants, the increment increases projected by the proposed development are more than enough to cover the debt service. So the risk to risk that taxpayers would ever be left to foot the bill is fairly hard to conceive. The projections are conservative, based on just 60% of the Six Peak's Killington's Phase 1A. "The numbers work for the full project and have been vetted by the state."

The town will also be building in phases that correlate with the private developer's phases, so as to achieve (and receive) the incremental tax increase on the land along the way as it is improved.

"Tax increment financing is a municipal tool used to build infrastructure that catalyzes development. It's a financing tool," Clarke explained. "What happens is the town can invest in infrastructure and build that infrastructure, taking out the debt service to do so. And the resulting development (the new development) pays taxes on the new value and those taxes go to pay down the debt service on the infrastructure. So there is no new tax, or new tax rate. Simply put, no new taxes are collected. There is just a new diversion of new taxes that does not exist now and would not otherwise exist, *but for* the investment into the infrastructure."

Specifically, of the new incremental growth value, 85% of the municipal tax and 70% of the state education tax can be retained to pay the debt service.

The town has 10 years to build infrastructure and 20 years from when it begins to incur debt in which to retain the local and state portions to repay that debt.

The portion that continues to flow to the respective funds (15% and 30%, respectively) over the 20 years is projected to add up quickly: approximately \$3.9 million of new funding will flow to the town's municipal general fund and \$26.7 million will flow to the state education fund.

Specific changes to the new TIF proposal

"We have amended our boundaries. We have reduced the number of infrastructure projects that will be funded with this funding mechanism. And we've scaled back the expectation for which private development projects will help to repay the debt for those infrastructure projects and that has altered the financing plan somewhat," Clarke outlined at the public hearing, Monday.

Geographically, the town had previously proposed a linear district that ran from the top of Killington road at the base of the mountain down to the intersection of Killington Road and Route 4. The new district is a smaller version — reduced to be solely at the base of the mountain, lands currently owned exclusively by SP Land and Killington Resort.

The reason for the change is that the original boundary did not meet the compact and high density criteria that's required as part of the TIF application process, Clarke explained.

"Now our district represents 0.46% of the total town's total acreage versus the original 2.72%," she added. "So it's a smaller district. It's relying on less projects to make the infrastructure feasible, because again, we can only retain increment from properties within these parcels. But it is still a viable district and it will serve the purpose we need it to."

Infrastructure supporting the smaller district was also scaled back. "The reason for this is that the water system phase one and the four phases of the road reconstruction are serving and catalyzing the Six Peaks Killington private development project. Again, *but for* these two investments... the Six Peaks Killington project would not happen. And that's the essence of TIF," Clarke continued.

What's next?

- May 26: VEPC hearing
- June/July: Hopefully receive VEPC district approved
- Negotiate development agreements, complete design/planning for water/road infrastructure, hold public meetings on new developments to plans and/or funding sources/grants
- Submit first VEPC phased filing
- November 2022 bond vote for first phase
- March 2023 town aims to be shovel ready