



**MEETING MINUTES
MARCH 28, 2019
DEANE C. DAVIS BUILDING
1 NATIONAL LIFE DRIVE, MONTPELIER**

**CALVIN COOLIDGE CONFERENCE ROOM, 6TH FLOOR
9:30 A.M. TO 12:30 P.M.**

Members Present: Chair John Davis; Charlie Kimbell, Rachel Smith; Thad Richardson; and Emma Marvin

Members Present by Phone: Mark Nicholson; Michael Keane

Members Absent: Betsy Gentile, Patricia Horn

Staff Present: Megan Sullivan, Executive Director; Abbie Sherman, Grant Programs Manager and Shelley Pembroke, Marketing and Projects Coordinator; John Kessler, General Counsel

Others Present:

Erica Havers, VP/General Manager; Dan Coolbeth, VP of Operations; Steve Spittle, Group President – Middlebury; Frank Cioffi, GBIC President; Seth Bowden, GBIC Vice President

9:30 a.m. Roll Call and Agenda Review

Chair John Davis called the meeting to order.

Chair John Davis requested a roll call. Members present are noted above.

Executive Director Megan Sullivan gave an introduction of Representative Charlie Kimbell, who started as a VEPC Board member this month filling the House appointed seat.

Chair John Davis inquired as to any additions or deletions to the agenda. The Chair requested that the agenda item of the Executive Session to discuss the confidential Discussion Document from the State Auditor's Office.

9:35 a.m. Minutes – February 28, 2019

Chair John Davis inquired as to any corrections or changes to the draft meeting minutes for February 28. Hearing none, requested a motion.

❖ At **9:35 a.m.** Michael Keane moved to accept the February 28, 2019, meeting minutes as presented. Thad Richardson seconded the motion. Chair John Davis inquired as to further

discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 6-0-1.

- ♦ Aye: Chair John Davis, Mark Nicholson, Rachel Smith, Thad Richardson, Emma Marvin, and Michael Keane
- ♦ Nay: None
- ♦ Abstain: Charlie Kimbell

9:36 a.m. Public Comment

Chair John Davis inquired as to any members of the public present to provide public comment or announcements, hearing none, moved to the next Agenda item.

9:36 a.m. **Vermont Employment Growth Incentive (VEGI):**
GS Blodgett, Essex Junction (Initial)

- ❖ At **9:37 a.m.** Michael Keane moved to enter into Executive Session to discuss VEGI applications, citing 1 VSA, §313(a)(6). Charlie Kimbell seconded the motion. Chair John Davis inquired as to further discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 7-0-0.
 - ♦ Aye: Chair John Davis, Mark Nicholson, Charlie Kimbell, Rachel Smith, Thad Richardson, Emma Marvin, and Michael Keane
 - ♦ Nay: None
 - ♦ Abstain: None
- ❖ At **10:10 a.m.** the Council exited from the Executive Session.
- ❖ At **10:10 a.m.** Thad Richardson made a motion regarding the initial application filed by GS Blodgett, for a project in Essex Junction, that the Council find that:
 - The new revenue the proposed project generates to the State exceeds the costs of the activity to the state by \$570,084;
 - The company is not a party to any State action, the host municipality welcomes the new business and the proposed economic activity will conform to applicable town and regional plans;
 - The applicant does not operate in a limited, local market, and the incentive would not give the business an unfair competitive advantage over other Vermont businesses in the same or similar line of business; and
 - As certified in their application and during testimony before the Council, company officers have provided compelling information and arguments that but for this incentive the proposed economic activity would not occur in Vermont, or would occur in a significantly different and less desirable manner.

And therefore, the Council approve the Initial Application, giving initial authorization of VEGI incentives of up to \$1,137,224, with an estimated incentive of \$977,573 based on application data, for activity to commence May 1, 2019, subject to submittal and consideration

of a Final VEGI Application before the end of calendar year 2019. Michael Keane seconded the motion. Chair John Davis inquired as to further discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 9-0-0.

- ◆ Aye: Chair John Davis, Charlie Kimbell, Mark Nicholson, Rachel Smith, Thad Richardson, Emma Marvin, and Michael Keane
- ◆ Nay: None
- ◆ Abstain: None

❖ At 10:11 a.m. Michael Keane moved to enter into Executive Session to discuss the Review of Confidential Discussion Document Provided by State Auditor's Office. Rachel Smith seconded the motion. Chair John Davis inquired as to further discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 7-0-0.

- ◆ Aye: Chair John Davis, Charlie Kimbell, Mark Nicholson, Rachel Smith, Thad Richardson, Emma Marvin, and Michael Keane
- ◆ Nay: None
- ◆ Abstain: None

❖ At 10:58 a.m. the Council exited from the Executive Session.

10:59 a.m. TIF Annual Report

- Districts have spent an aggregate of \$307 million in infrastructure improvements and incurred an aggregate of \$105.9 million in TIF debt.
- Combined Grand List values have increase by \$346.7 million since the inception of the TIF program. It is anticipated that combined Grand List values will be \$828 million by end of all TIF Districts.
- TIF Districts have generated an aggregate of \$64.2 million in additional tax revenue and \$3.4 million of that has gone to the Education Fund.
- An aggregate of nearly 4,000 jobs have been created in the TIF Districts and \$61.7 million of work completed in the TIF Districts has been by Vermont companies.
- Provided an explanation of the performance table for each of the TIF Districts.

Megan noted that the retention period for the Milton North/South TIF District ends on March 31, 2019. They will no longer be able to retain Education Fund increment during fiscal year 2020 and all education tax revenues for that District will go to the Education Fund, an estimated \$607,000 of that being new tax revenues due to the increased Grand List value.

11:17a.m. Executive Director Updates:

- Megan announced new board members – Representative Charlie Kimbell and John Russell starting next meeting.
- Megan discussed the 4 VEGI Inquiries that had come in that month.
- VEGI Capwatch – at \$3.2 million within \$10 million cap. LMA \$535K of \$1 million.

- VEPC Summer Retreat- Megan updated the board on the possibility of a summer retreat and let them know that staff would send out doodle poll w/ potential dates in July and August and board should send suggestions on agenda items.
- John Davis inquired if there was any update from the Senate re. A senate appointed VEPC Board Member. Megan said there was still no movement.
- Legislative – Amendments to VEGI. Sen. Brock has introduced legislation – additional VEGI reporting (S.162).

Chair John Davis inquired as any other business, there being none requested a motion to adjourn.

- ❖ At 11:27 a.m. Representative Charlie Kimbell moved to adjourn the meeting. Emma Marvin seconded the motion. Chair John Davis requested a roll call for the vote, all voted in favor and the motion passed. 7-0-0.
 - ♦ Aye: Chair John Davis, Charlie Kimbell, Mark Nicholson, Rachel Smith, Thad Richardson, Emma Marvin, and Michael Keane
 - ♦ Nay: None
 - ♦ Abstain: None

Minutes taken by Shelley Pembroke: March 28, 2019

Revised by Megan Sullivan: April 2, 2019

Approved by the Council: May 30, 2019