

MEETING MINUTES
JANUARY 30, 2020
DEANE C. DAVIS BUILDING
1 NATIONAL LIFE DRIVE, MONTPELIER

CALVIN COOLIDGE CONFERENCE ROOM, 6TH FLOOR
10:09 A.M. TO 11:14 A.M.

Members Present: Chair John Davis; Michael Keane; Rachel Smith; Thad Richardson; Mark Nicholson; and John Russell.

Members Present by Phone: Charlie Kimbell

Members Absent: Patricia Horn; Cheryl Hooker; Betsy Gentile; and Emma Marvin

Staff Present: Megan Sullivan, Executive Director of VEPC; Shelley Pembroke, Marketing and Projects; Abbie Sherman, Grants Program Manager; John Kessler, General Counsel II; Ken Jones, Economic Research Analyst; Joan Goldstein, Department of Economic Development Commissioner; and Ryan Flanagan, Department of Economic Development Intern.

Others Present: Lori Hirshfield, Director of Department of Planning & Development at Town of Hartford.

10:08 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.

Chair John Davis inquired as to any additions or deletions to the agenda. Hearing none, moved on to the next agenda item.

10:09 a.m. Minutes – December 19, 2019

Chair John Davis inquired as to any corrections or changes to the draft meeting minutes for December 19. Hearing none, requested a motion.

- ❖ At 10:09 a.m., Mark Nicholson moved to accept the December 19, 2019 meeting minutes as presented. John Russell 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; Michael Keane; Rachel Smith; Thad Richardson; Mark Nicholson; John Russell; and Charlie Kimbell.

- ❖ Nay: None
- ❖ Abstain: None

10:10 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.

10:10 a.m. Hartford TIF District Phase Filing

At 10:10 a.m., the meeting transitioned to discussing Hartford's TIF District Phase V Filing and substantial change request associated with its 2011 approved TIF District. Before proceeding with its project, Hartford must submit information on the district to be approved as they are ready to proceed. Burlington's Downtown TIF District also follows this process.

At 10:14 a.m., Joan Goldstein and Ken Jones entered the meeting

Lori Hirshfield provided details on the three projects that are part of the current request. The Town Square Municipal Parking Lot/Park was originally envisioned in 2009, and since that time conditions have deteriorated causing costs for improvement to increase. This project will help with current traffic congestion in the downtown and is estimated at \$811,700. The South Main Street Municipal Parking project has been implemented in multiple phases with the current project being for reconstruction and increasing surface parking at an estimated cost of \$1,822,600. The town is currently in discussion about a deck parking lot and whether to proceed with that phase at a future date. The proposed project for improvements on Maple Street along #87 and #101 would support an area that is currently undergoing redevelopment. Currently, there is a missing sidewalk, conditions of pavement have deteriorated, and there are traffic concerns. The project is estimated at \$32,000 and would help correct problems with current public traffic safety.

Hirshfield explained that as of FY20, the TIF Grand List has grown more than \$26M since its approved plan. Hartford was approved in 2011 for \$13M in debt. To date, the town has obligated \$9,203,000, and the current request totals \$2,666,600, leaving \$1,130,400 for remaining projects. Megan Sullivan interjected and stated that there is a bill within Legislature that would extend the indebtedness period for three years. Hirshfield provided the Council with details on the debt service for the current request and anticipated growth in the Grand List. Anticipated redevelopment projects include 66 new housing units and increased commercial space. The town has included conservative estimates for tax increment and is confident that there will be sufficient revenue to pay debt service.

At 10:32 a.m., Abbie Sherman presented details from the staff evaluation of the current request. Sherman explained that because of the change in the municipal parking lot, Hartford is required to submit a substantial change request. The phase filing process and substantial change request

process are very similar, except that substantial changes require a public hearing and a letter from the regional planning commission.

Sherman noted that the memo from Ken Jones shows that the District continues to be fiscally and financially viable. With the additional projects proposed, there could be an \$11M surplus at the end of the District's retention period. Jones also used alternative assumptions for no organic growth in taxable values and flat tax rates, which also proved the District remains viable. Sherman also explained that Hartford did not include non-TIF revenues in its request, but according to their TIF annual report they have used over \$900,000 in other funds. Sherman provided details on the projects remaining, totaling \$2,243,240 based on the 2011 Plan, and noted that the Town is not requesting an increase in the maximum approved TIF debt at this time. The District will be required to return to the Council with a substantial change request or phase filing before proceeding with other projects. Based on the review of the request, VEPC staff recommended that the Council find that the amendment meets the criteria substantial change and to approve the phase filing.

Michael Keane inquired about are any risks associated with the current request. Hirshfield reiterated that the Town had used conservative projections just in case projects did not work out according to plan. She also explained that the municipal share of tax increment could continue past 2034. Ken Jones added that there is a significant amount of increment already. At Charlie Kimbell's request, Hirshfield ownership details on the Town Square parking lot project and noted that the Town does own the property.

- ❖ At 10:49 a.m., Michael Keane moved that the Council approve the Phase V Filing and Substantial Change Request submitted for the Hartford TIF District, finding that the amendments meet the criteria for approval and that the documents provided shows the District continues to be fiscally and financially viable. John Russell 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; Michael Keane; Rachel Smith; Thad Richardson; Mark Nicholson; John Russell; and Charlie Kimbell.
 - ❖ Nay: None
 - ❖ Abstain: None

At 10:50 a.m., Ken Jones and Lori Hirshfield exited the meeting.

10:51 a.m. VEGI—Business Name Change Review

At 10:51 a.m., Megan Sullivan provided the Council with information on businesses who have changed names in 2020. Sullivan told the Council that if a VEGI participant changes business names that they must notify VEPC. One business that has changed its name is Logic Supply. The South Burlington-based company has changed its name to OnLogic. Revision Military Ltd.

has experienced a change in ownership. Through a stock purchase agreement, Revision Military was sold to ASGARD Partners & Co. This change will only affect Revision Military not Revision Ballistics. Information on its name change will be sent to the Tax Department.

10:54 a.m. Legislative Overview, Megan Sullivan and Joan Goldstein

At 10:54 a.m., Megan Sullivan and Joan Goldstein gave the Council updates on the Department of Economic Development (DED)'s current activities within the Legislature that could involve VEPC as an authorizing body. They reviewed the proposals for the Convertible loan program, partnered with VEDA, the Vermont Investment Incentive Program and the Project Based Economic Development program proposal.

Joan Goldstein gave the Council updates on other programmatic proposals that the Agency of Commerce is involved in.

Council members discussed these proposals. Sullivan and Goldstein went into more specifics on how each incentive pilot program would work and what types of businesses would be eligible.

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

- ❖ At 11:14 a.m., Michael Keane moved to adjourn the meeting. Mark Nicholson 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; Michael Keane; Rachel Smith; Thad Richardson; Mark Nicholson; John Russell; and Charlie Kimbell.
 - ❖ Nay: None
 - ❖ Abstain: None

Minutes taken by Ryan Flanagan: January 30, 2019

Revised by Abbie Sherman & Megan Sullivan: February 4, 2020

Approved by the Council: April 30, 2020