



MEETING MINUTES
MAY 6, 2021
VIRTUALLY VIA WEBEX
2:05 P.M. TO 4:00 P.M.

Members Present: Chair John Davis; Mark Nicholson; Rachel Smith; Thad Richardson; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell

Members Absent: Sen. Cheryl Hooker

Staff Present: Megan Sullivan, Executive Director; Abbie Sherman, Grant Programs Manager

Others Present: Sarah Kellogg, East Baking Company; Jess Damon, OnLogic; Sean Larkin, OnLogic; Justin McCabe, OnLogic; Frank Cioffi, GBIC; Adam Grinold, BDCC; Colin Flanders, Seven Days; Mo Reilly, Business Application Support Specialist, ACCD; Tim Tierney, Director of International Trade, DED; Joan Goldstein, Commissioner, DED; and Ken Jones, Economic Analyst, ACCD

2:05 p.m. Roll Call and Agenda Review

Chair John Davis called the meeting to order and started the meeting with an introduction and welcoming of VEPC Council Member, Mike Donohue, who has been newly appointed to the Council.

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 to the next Agenda item.

2:08 p.m. Minutes – March 31, 2021

Chair John Davis inquired as to any corrections or changes to the draft meeting minutes for March 31, 2021. Hearing none, requested a motion.

- ❖ At **2:08 p.m.** Michael Keane moved to accept the March 31, 2021 meeting minutes as presented. Mark Nicholson 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. 7-0-1.
 - ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Thad Richardson; Michael Keane; John Russell; and Mike Donohue

- ◆ Nay: None
- ◆ Abstain: Rep. Charlie Kimbell

2:12 p.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.

2:12 p.m. Vermont Employment Growth Incentive (VEGI):

OnLogic, South Burlington (Initial)
East Baking Company, Burlington (Initial)
East Baking Company, Brattleboro (Initial)

- ❖ At **2:12 p.m.** Rep. Charlie Kimbell moved to enter into Executive Session to discuss VEGI applications, citing 1 VSA, §313(a)(6). Rachel Smith seconded the motion. Chair John Davis inquired as to further discussion, hearing none requested a vote. All voted in favor and the motion passed. 8-0-0.
 - ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Thad Richardson; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
 - ◆ Nay: None
 - ◆ Abstain: None

Rep. Charlie Kimbell exited the meeting at 3:00 p.m. and returned at 3:10 p.m.

- ❖ At **3:46 p.m.** the Council exited from the Executive Session.
- ❖ At **3:46 p.m.** Michael Keane made a motion regarding the Initial Application filed by OnLogic, for a project in South Burlington, 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 \$3,021,678;
 - ◆ 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 \$2,131,964, with an estimated incentive of \$1,921,385 based

on application data, for activity to commence May 10, 2021, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2021.

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. 8-0-0.

- ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Thad Richardson; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
- ◆ Nay: None
- ◆ Abstain: None

❖ At **3:50 p.m.** Michael Keane made a motion regarding the Initial Application filed by East Baking Company, for a project in Burlington, 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 \$1,659,560;
- ◆ 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 \$1,195,805, with an estimated incentive of \$1,116,085 based on application data, for activity to commence May 14, 2021, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2021.

Mike Donohue 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. 7-0-1.

- ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
- ◆ Nay: None
- ◆ Abstain: Thad Richardson

❖ At **3:53 p.m.** Michael Keane made a motion regarding the Initial Application filed by East Baking Company, for a project in Brattleboro, 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 \$1,161,292;
- ◆ 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 \$836,775, with an estimated incentive of \$780,990 based on application data, for activity to commence May 14, 2021, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2021.

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. 7-0-1.

- ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
- ◆ Nay: None
- ◆ Abstain: Thad Richardson

❖ At 3:56 p.m. Michael Keane made a motion to utilize the authority given by 32 VSA §3334 to approve an increased incentive level for businesses locating in a qualified LMA, such as Brattleboro, using 100% of the available net revenue benefit, with a maximum incentive of up to \$1,223,504 and an estimated incentive of \$1,141,937, thereby reducing the estimated net revenue benefit to \$0. Mark Nicholson 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. 7-0-1.

- ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
- ◆ Nay: None
- ◆ Abstain: Thad Richardson

Megan Sullivan noted that the next meeting is scheduled for Thursday, May 27, 2021, in anticipation of a substantial change request from the St. Albans TIF District. Executive Director updates will be provided at that meeting.

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

- ❖ At 4:00 p.m. Rachel Smith moved to adjourn the meeting. Mike Donohue seconded the motion. Chair John Davis requested a vote, all voted in favor and the motion passed. 8-0-0.
 - ◆ Aye: Chair John Davis; Mark Nicholson; Rachel Smith; Thad Richardson; Michael Keane; John Russell; Mike Donohue; and Rep. Charlie Kimbell
 - ◆ Nay: None
 - ◆ Abstain: None

Minutes taken by Abbie Sherman: May 6, 2021

Revised by Megan Sullivan: May 11, 2021

Approved by the Council: May 27, 2021