



VERMONT ECONOMIC PROGRESS COUNCIL
DRAFT – COUNCIL APPROVAL REQUIRED AT NEXT MEETING

MEETING MINUTES
November 16, 2023
DAVIS BUILDING, GRACE COOLIDGE CONFERENCE ROOM
1 NATIONAL LIFE DRIVE, MONTPELIER, VT
9:31 A.M. TO 10:28 A.M.

Members Attending In-person: Chair John Russell; and Jamie Stewart

Members Attending Virtually: Mike Donohue; Sen. Thomas Chittenden; Mark Nicholson; Michael Keane; Kim Gobeille; Rachel Smith; Heather Chase; and Thad Richardson

Members Absent: Rep. Emilie Kornheiser

Staff Present: Abbie Sherman, Executive Director; Angie Farrington, VEPC Program Manager; and Kelly Chambers, Administrative Services Coordinator III

Others Present: Jeff Carr; John Kessler, ACCD General Council; Gary Fox, Town of Rockingham; Ed Holland, Cascade Biotechnology; Karen Duguay, Addison County Economic Development Corporation; and Fred Kenney, Addison County Economic Development Corporation

9:31 a.m. Roll Call and Agenda Review

Chair John Russell called the meeting to order. Members present are noted above. Chair John Russell inquired as to any additions or deletions to the agenda, hearing none, moved on to the next agenda item.

9:33 a.m. Minutes – September 28, 2023 Regular Meeting & October 26, 2023 VEPC Retreat.

Chair John Russell inquired as to any corrections or changes to the draft meeting minutes for the September 28, 2023, Regular Meeting, and October 26, 2023 VEPC Retreat. Hearing none, requested a motion.

At **9:33 a.m.** Jamie Stewart moved to accept the minutes of the September 28th, 2023, Regular Meeting, and October 26th VEPC Retreat. Mike Donohue seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a roll call for the vote. The motion passed. 9-0-0

- Aye: Chair John Russell; Michael Keane; Kim Gobeille; Mark Nicholson; Mike Donohue; Jamie Stewart; Rachel Smith; Thad Richardson; and Sen. Thomas Chittenden
- Nay: None
- Abstain: None

9:34 a.m. Public Comment

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

9:34 a.m. Community Recovery & Revitalization Grant Program Applications:

Abbie Sherman summarized the procedures for CRRP review and the requirements that the Council will consider.

Heather Chase joined the meeting at 9:35 a.m.

Town of Rockingham: Imtec Lane, Industrial Park Stormwater Planning, Design & Oversight Project:

Gary Fox, representing the Town of Rockingham, presented the project to the Council. Such project includes stormwater mitigation and design recommendations from Watershed Consulting's 'Best Management Practices' (BMP) assessment in the Rockingham Industrial Park includes infiltration, bioretention, and stormwater management within Imtec Lane, Spencer, and Industrial Drive.

Angie Farrington summarized the staff review of the Town of Rockingham application. Farrington provided details regarding Green Mountain Craft Cannabis which Rockingham identified to meet the business development project criteria. Green Mountain Craft Cannabis has plans to expand their footprint and create jobs in both their manufacturing operations and their kitchen operation but are limited in doing so at this time due to the current condition of their property. It was also noted that the current condition at Chroma Technology, which are high volume, high-velocity flow of uncontrolled water flows to a deep ravine that has very sandy and silty soils, and almost no protection from further erosion must be mitigated to protect the Chroma Technology building from severe slope erosion.

Farrington outlined that Rockingham has an operating budget of \$6.8 million and a Highway Department budget of \$3.3 million that supports regular infrastructure maintenance of 75 miles of roadway and 15 miles of sidewalk. The stormwater mitigation is beyond the current maintenance scope. Rockingham also has upcoming expenditures that include capital projects which are now anticipated to be over \$3 million dollars. Farrington provided details stating if CRRP funding is not awarded, the Town must go out to bond for this stormwater infrastructure project. Such a bond would need to be voted on at the Annual Town meeting held in March and future delays will increase the cost projections. If the project took a phased approach further damage would be experienced by landowners and business development would also be delayed due to investment requirements needed for erosion control and mitigation.

The Town of Rockingham’s adjusted Grand List growth from 2011 to 2021, as calculated by the Tax Department and the Joint Fiscal Office, is 0.1%. This is considered stagnant.

Michael Keane asked how many projects Rockingham’s team has done over time. Gary Fox replied regarding the town’s budget for stormwater, wastewater, and capital projects. Rockingham hires consultants and project managers who have completed similar projects, and they outsource the technical work. Michael Keane followed up by asking what the timeline would be. Gary Fox said that procurement would be completed during the winter with the project starting in the spring. Fox noted that the problem was recognized after the 2021 storm, but this past 2023 storm showed severe devastation in the erosion of the banks, and gullies. Heather Chase commented that the climate resiliency and economic development of this project will have an impact regionally and thanked Rockingham for doing the work.

At 9:57 a.m. Micheal Keane made a motion that the Council find that based on the documentation provided by Town of Rockingham for their “Imtec Lane, Industrial Park Stormwater” project that the project:

- 1) Clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures;
- 2) Are public improvements which are integral to the expected private development, that being business development by expansion of an existing business within the project area which will create new, quality, full-time jobs that meet or exceed the prevailing wage for the region; and
- 3) That “but for” the CRRP funds, the project would not occur as proposed in the application or would have occurred in a significantly different and less desirable manner.

And therefore, the Council recommend the Interagency Team approve the Town of Rockingham CRRP application. Mike Donohue seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a roll call for the vote. The motion passed. 9-0-1

- Aye: Chair John Russell; Michael Keane; Kim Gobeille; Heather Chase; Mark Nicholson; Mike Donohue; Rachel Smith; Sen. Thomas Chittenden; Thad Richardson
- Nay: None
- Abstain: Jamie Stewart

Vermont Employment Growth Incentive (VEGI) Applications: Cascade Biotechnology (Deferral to 2024)

Abbie Sherman provided a summary Council. She detailed that Cascade Biotechnology had reached out and stated that they are still pulling together funding for their project to occur in Vermont. They have not started their project yet, meaning they have not selected a location and they have not hired Vermont employees. Cascade

Biotechnology has requested deferral of their application to 2024, with a new Activity Commencement Date of January 1, 2024. This will mean that they will need to comply with the new higher qualifying wage based on the 2024 Vermont minimum wage. They will also need to submit their final application for VEPC consideration by the end of 2024. If approved by the Council, Sherman will transfer the 2023 application over to the 2024 application with the January 1, 2024, Activity Commencement Date.

At 10:03 a.m. Kim Gobeille made a motion that the Council approve the request by Cascade Biotechnology to delay the Activity Commencement Date of their project in Middlebury to January 1, 2024, with consideration of a Final Application required in 2024. Mark Nicholson seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 10-0-0

- Aye: Chair John Russell; Michael Keane; Kim Gobeille; Heather Chase; Mark Nicholson; Jamie Stewart; Mike Donohue; Rachel Smith; Sen. Thomas Chittenden, Thad Richardson
- Nay: None
- Abstain: None

10:05 a.m. Executive Director Updates

Executive Director Abbie Sherman provided the following updates to the Council:

- VEPC Boundary Adjustment Policy: The policy was drafted by VEPC staff in response to Act 72, which revised 24 VSA 1895 to add section (b) regarding Boundary of the TIF District and states, “No adjustments to the physical boundary lines of a district shall be made after the approval of a tax increment financing district plan.” This policy provides further guidance to TIF Districts regarding that change until such time that a revised TIF Rule is adopted. The policy has been reviewed by John Kessler, the Tax Department, and the SAO. Once approved by VEPC a copy will be provided to TIF Districts and posted to the website. Jamie Stewart inquired if this was driven by the legislature. Sherman explained that this was part of a TIF Clarification bill introduced by the Administration a few years ago.

At 10:03 am. Jamie Stewart made a motion to approve the Boundary Adjustment Policy. Mike Donohue seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a roll call for the vote. All voted in favor and the motion passed. 10-0-0

- Aye: Chair John Russell; Michael Keane; Kim Gobeille; Heather Chase; Mark Nicholson; Jamie Stewart; Mike Donohue; Rachel Smith; Sen. Thomas Chittenden, Thad Richardson
- Nay: None
- Abstain: None

- Rhino Foods is currently preparing to submit their Final VEGI Application, which will be taken up at the December VEPC meeting. For the VEGI Cap, after moving Cascade to 2024, VEPC has 1 VEGI application for 2023 and are well within the caps for 2023.
- Tax Increment Financing:
 - The City of St. Albans has submitted a substantial change request which is currently being reviewed and will be provided to the Council at the December VEPC meeting. Sherman summarized the request being reviewed.
 - Regarding the Burlington Waterfront TIF District, Sherman provided the Council with the response letter to the City where the City has contested findings from the State Audit. Burlington staff are still reviewing that letter and have the option of moving forward with the full issue resolution process.
- Community Recovery & Revitalization Program:
 - The town of Berlin has requested a slight increase in project costs. The changes do not impact the “but for” or nexus, and VEPC does not approve project costs. The changes have been forwarded to DED leadership.
 - The application period closed November 15 and there are 3 remaining municipal applications being reviewed which will be presented at the December VEPC meeting.

As this was Angie Farrington last meeting with VEPC, Abbie Sherman shared a summary of Farrington’s extraordinary accomplishments during her time with VEPC.

Thad Richardson asked about VEGI legislation for 2024. Abbie commented on the current status of proposed legislation. Joan Goldstein will be invited to the December meeting to discuss proposed legislation.

At **10:28 a.m.** Jaime Stewart moved to adjourn the meeting. Thad Richardson seconded. Chair John Russell requested a voice vote. All voted in favor and the motion passed.

Minutes taken by Kelly Chambers: November 16, 2023

Revised by Abbie Sherman: November 16, 2023

Approved by the Council: