



VERMONT ECONOMIC PROGRESS COUNCIL

SUBCOMMITTEE MEETING MINUTES

VIRTUALLY VIA ZOOMGOV

9:00 A.M TO 9:45 A.M.

Members Attending Virtually: John Russell, Mike Donohue, and Michael Keane.

Staff Present Virtually: Abbie Sherman, Executive Director; Angie Farrington, VEPC Programs Manager; Randall Szott, Economic Development Specialist

Others Present Virtually: Richard Haesler (City of Burlington); Katherine Schad (City of Burlington); John Kessler (General Counsel, ACCD); and Irina Aylward (State Auditor's Office)

9:12 a.m. Roll Call and Agenda Review

Michael Keane and Mike Donohue deferred to John Russell to Chair the meeting. 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 to the next agenda item.

9:12 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.

9:15 a.m. Discussion of Burlington Downtown TIF District's Champlain College Development Agreement Fee Payment

Abbie Sherman reviewed the matter under discussion for the subcommittee. She referenced the financial analysis conducted by former ACCD Economic Analyst Ken Jones on both the 2020 and 2021 Substantial Change Requests. She noted that VEPC is a steward of the Education Fund and summarized the 2020 Subcommittee's review and findings.

Chair Russell reviewed the motion for the 2020 Substantial Change Request and stated that it was clear to him that the \$260,000 Development Agreement Fee was to be deposited into the TIF District Fund to be used for debt service and related costs. He added that he believed that is what the Council had understood and approved for the City of Burlington's 2020 Substantial Change Request. Michael Keane and Mike Donohue concurred.

Chair Russell said that the subcommittee shall report back to the full Council that the intention was clear and inquired about next steps.

Abbie Sherman offered options for the subcommittee to proceed, which included requesting submission of a substantial change request from the City of Burlington or proceed with the Resolution process. John Kessler provided further details regarding those two options and outlined that the Subcommittee can evaluate whether it was a “substantial” difference between what the Council approved and what has occurred. Kessler added that dispute resolution could lead to a finding that the Council’s understanding be upheld, and it might end up back at a mandated Substantial Change request as a remedy. Using the Substantial Change Request process might be more effective and efficient.

Chair Russell indicated the substantial change request submitted by the City of Burlington would give the Council a chance to review the impact of the Development Agreement Fee on the Education Fund and the tax increment being retained in the TIF District Fund.

At 9:42 a.m. Michael Keane moved to report to the full Council that upon review, the confirmed the understanding of the 2020 substantial change request, that the Development Fee should go into the TIF Fund. Mike Donohue seconded the motion. Chair John Russell requested a vote, all voted in favor and the motion passed. 3-0-0.

- ❖ Aye: John Russell, Mike Donohue, and Michael Keane.
- ❖ Nay: None
- ❖ Abstain: None

Noting that the City of Burlington has a different understanding, **at 9:43 a.m.** Michael Keane moved to require that the City of Burlington present a resolution to reconcile that difference in understanding and which is agreeable to the Council. The motion was amended to require the resolution be presented by the next VEPC meeting. Mike Donohue seconded the motion. Chair John Russell requested a vote, all voted in favor and the motion passed. 3-0-0.

- ❖ Aye: John Russell, Mike Donohue, and Michael Keane.
- ❖ Nay: None
- ❖ Abstain: None

At 9:45 a.m. Mike Donohue moved to adjourn the meeting. Mike Keane seconded the motion. Chair John Davis requested a vote, all voted in favor and the motion passed. 3-0-0.

- ❖ Aye: John Russell, Mike Donohue, and Michael Keane.
- ❖ Nay: None
- ❖ Abstain: None

Minutes taken by Randall Szott: January 3, 2023

Revised by Abbie Sherman: January 5, 2023

Approved by the Council: January 26, 2023