



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

---

**DRAFT - MEETING MINUTES**  
**DECEMBER 12, 2024**  
**HYBRID**  
**9:30 A.M. TO 12:00 P.M.**

**Members Attending In-person:** Chair John Russell; Michael Keane; Mark Nicholson, Jamie Stewart

**Members Attending Virtually:** Kim Gobeille; Rachel Smith, Heather Chase, Wendy Harrison, Mike Donohue, Thad Richardson

**Members Absent:** Stephanie Jerome

**Staff Present:** Jessica Hartleben, Executive Director; Ellie Beckett, Program Manager

**Others Present:** Carol Dawes, Barre City TIF Administrator; Carol Martin, VP Finance, WETI; Sandra Hollenstein, Finance/Controlling WETI; Barbara Murphy NWRPC; John Kessler, ACCD Counsel; Alex Demoly, GBIC

**9:32 a.m. Roll Call and Agenda Review**

Chair John Russell called the meeting to order. Members attending and present in person or virtually 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 – October 30, 2024 Annual Retreat**

Chair John Russell inquired as to any corrections or changes to the draft meeting minutes for the October 30, 2024, Annual Retreat. Hearing none, requested a motion. Michael Keane moved to accept the minutes of the October 30, 2024, Regular Meeting. Michael Donohue seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a vote. The motion passed unanimously. 10-0-0.

**9:35 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, the Council moved to the next agenda item.

**9:45 a.m. Tax Increment Financing – Barre City Substantial Change Request**

Carol Dawes, Barre City's TIF Administrator presented Barre City's Substantial Change Request.

- A Bond anticipation note was secured on January 10, 2014. The bond was secured on August 11, 2015.
- Prior to securing voter approval, related costs for preparing the TIF application, and improvements including deposits paid for acquisition of property associated with proposed TIF projects were paid through interfund loan financing from the Semprebond Fund and Capital Fund, respectively. Once the bond was approved by voters, and the funds were secured, the interfund loans from the Semprebond Fund were reimbursed out of the bond funds. The real estate deposits were never reimbursed to the Capital Fund. The real estate deposits paid in October 2013 were \$7,500 for 12 Keith Avenue and \$5,000 for 1 Campbell Place.
- The unreimbursed interfund financing loans from the Capital Fund were entered as a journal adjustment in the general fund ledger as a due to/due from between the Capital Fund and the TIF Increment Fund in fiscal year 2014, however, during a recent annual City audit, it was noted the reimbursement had not yet taken place.
- The Capital Fund (loaning fund) was originally used to cover the real estate deposit expenses with the intention of being reimbursed out of the bond funds upon receipt. The reimbursement was never made before the bond funds were fully expended.
- Purchase of the 12 Keith Avenue property was included in the originally approved TIF Plan, and purchase of the 1 Campbell Place property was included in the first Substantial Change Request, which was approved in October 2013.

Wendy Harrison inquired about interest, to which Carol reported that there is none associated.

John Russell inquired about why this technical change rose to the level of being a substantial change request. John Kessler replied that while small, it is helpful and important to keep a record of all financial matters, especially with the time elapsed since the initial deposits were made. The purpose of the SCR was to ensure future auditors or administrators could understand the present chain of events.

Michael Keane moved that the Council approve the Substantial Change Request filed by the City of Barre that will authorize the City to reimburse the Barre City Capital Fund \$12,500 from the TIF Increment Fund for the interfund loan used for real estate deposits paid in October 2013. Mark Nicholson seconded the motion. Chair John Russell inquired as to further discussion, hearing none requested a vote. The motion passed unanimously. 10-0-0.

Carol thanked the counsel and informed them that Barre intends to be back with a more substantial SCR in early/mid 2025.

### **10:00 a.m. Vermont Employment Growth Incentive – Weidmann Electrical Technology Inc – Final Application**

Representatives from WETI updated VEPC on changes since the initial application:

- They closed on their New Markets Tax Credit financing with 5 CDEs. All permits are now in hand to proceed. The construction and architect contracts are executed. There was a minor adjustment of the footprint due to Class 2 Wetland encroachment.
- WETI still plans to add 67 FTEs. The only application change were small adjustment to existing payroll and the majority of the planned capital expenditure was shifted from 2024 to 2025.

At 10:10, Michael Keane moved to enter Executive Session under 1 VSA § 313(a)(6) to discuss a VEGI application and its related trade secrets concerning confidential business planning and prospective investment records and information protected from public disclosure under 32 VSA § 3341 and 1 VSA 317(c)(9). Mark Nicholson seconded the motion. Thad Richardson recused himself from the discussion.

The Council returned from Executive Session at 10:23.

Michael Keane moved that the Council approve the Final Application, filed by Weidmann Electrical Technology Inc, for a project in St, Johnsbury, having found the applicant met the but for criteria in its initial application and approved an LMA enhancement of 100%, and that the Council give final authorization of VEGI incentives of up to \$1,872,083 with an estimated incentive of \$1,719,736 and an estimated net return to the State of \$1,408,108, for activity commencing in 2024 as approved by the Board in June 2024. Mark Nicholson seconded the motion. All members present approved the motion except Thad Richardson who abstained due to conflict. The motion passed 9-0-1.

### **10:25 am. Executive Director Updates**

Executive Director Jessica Hartleben provided the following updates to the Council:

- Retreat Regroup – Jessica asked the council for reflections on the October annual retreat.
  - Jamie: Not sure CDFA themselves brought enough to justify the costs, but they are very good at understanding financing tools if we need to do a workshop. That said, it's good to get outside perspective.
  - John R: Engagement with legislators was better than previous retreats. At the statehouse he spends a lot of time fending off untruths, this time we got to get down to the nitty gritty.

- Jamie: It was good to have other legislators who weren't historically advocates, and it was great to get some to say they'd be champions, that'll be key.
- John R: It's important to get the message out to legislators that TIF builds the grand list and helps towns with shrinking grand lists. It may be a long term solution, but it's a tool in the toolbox and the engagement was huge.
- Michael K: It's necessary to hear from other parts of the country about what's going on and working in other states.
- Jamie: going forward, there's a number of good regional professionals that are very involved in working with states and companies in developing incentives that could fill a similar role in respect to VEGI or other programs.
- John K: We've overlooked the strategic public policy partnership with ANR and the land use side. Using TIF for development where we want it to occur aligns with state land use policy. These allies may be critics of development, but when it comes to TIF and public infrastructure there's a partnership that could help programmatically and strategically. This could be a good focus in a retreat setting.
- Jamie: Is the grand list still shrinking after covid? It would be helpful to get that updated data if possible. Vermont is the fastest in new England for in-migration.
- Kim: She thought it was beneficial to have David White there to have the reference in VT, the history and context around all the Vermont districts was really valuable.
- Wendy: The audio was a little tough for folks who weren't there, but it was good to have remote access. The land use impacts of TIF are really important, and we should be prepared to explain that in this session and be able to explain in real time with the conversation around education funding. More information on declining grand list status would be helpful. She thought it was helpful to have out of state professionals to discuss other states' approach.
- Thad: We are the most restrictive state with this program, we should bring this forward more in conversation; there has been no widespread misuse of funds and the fears around TIF haven't been realized. Regarding grand lists declining, he pointed out that while the residential sides might be growing, the downtown commercial have declined.
- Jess/John K: We can try to look into how to create some affordable visuals with someone who can handle GIS
- Jamie: It's our job to put together the facts so we can accurately educate interested stakeholders. RPCs there are people who work heavily on GIS, if we went to the RPCs, give them the report and see if they can do an updated one. It may be a relatively simple request.

- Fall TIF Monitoring Visits
  - Ellie and Jessica visited all the districts in November. They toured City Place in Burlington, and got a bus ride tour of Killington. We received feedback about the positive secondary and tertiary impacts of the TIF investments. Legislators were invited, it was good to connect with towns, and nice to meet district legislators who aren't as involved on the economic development/money committees.
- Legislative Updates
  - The Administration is considering all proposals right now, there's talk of a project based TIF as a potential ask but there's no definitive answers yet.
- Upcoming: TIF Annual Report
  - District reports are due in January, and the full annual report will be due in April. We're hoping this year will go more smoothly!
- Upcoming: Ethics Training
  - It seems as though everyone has taken it, hoping to have the director to discuss ethics, hoping to have her come in early 2025

John Russel thanked Stephanie for her service to VEPC over the last year, we will miss her.

Wendy informed the Council that the state rail plan is being updated this year. If there are things you would want to include in that plan that would help economic development, now is the time to bring that to her. Additionally, she would like to propose a new type of VEGI bonus for companies that would be employee owned as it is a way to preserve the state's investment. It is (seemingly) relatively simple. She will coordinate with administration, but she'd like to know anyone on the Council has any objections to the suggestion. If you do, let her know.

**At 10:43 a.m.** Jamie Stewart moved to adjourn the meeting. Michael Keane seconded the motion. Chair John Russell requested a vote. All voted in favor and the motion passed. 10-0-0.

*Minutes taken by Ellie Beckett: December 12, 2024*  
*Revised by Jessica Hartleben: December 13, 2024*  
*Approved by the Council:*