



**MEETING MINUTES  
AUGUST 31, 2017  
DEANE C. DAVIS BUILDING  
1 NATIONAL LIFE DRIVE, MONTPELIER**

**CALVIN COOLIDGE CONFERENCE ROOM, 6<sup>TH</sup> FLOOR  
9:30 A.M. TO 12:30 P.M.**

**Members Present:** Chair Stephan Morse; Michael Keane; Mark Nicholson; Patricia Horn (arrived 10:00 a.m.); Rachel Smith; Thad Richardson; and Emma Marvin

**Members Present by Phone:** Jean O'Sullivan

**Members Absent:** Betsy Gentile and John Davis

**Staff Present:** Fred Kenney, Executive Director; Shelley Pembroke, ACCD

**Others Present:** Logic Supply: Sean Larkin, President; Tim Noel, Chief Financial Officer; Heather Adams, Human Resources Director; and Mark Heyman, General Counsel, Dealer Policy: Kurt Liebegott, Chief Financial Officer. Greater Burlington Industrial Corporation: Curt Carter. Northwest Regional Planning Commission: Alvin Voegele, Department of Economic Development: Joan Goldstein, Commissioner. Agency of Commerce and Community Development: Michael Schirling, Secretary, Ted Brady, Deputy Secretary

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9:30 a.m. Roll Call and Agenda Review

Chair Stephan Morse called the meeting to order.

Chair Stephan Morse requested a roll call. Members present are noted above.

Chair Stephan Morse inquired as to any additions or deletions to the agenda and requested that the order of the agenda be adjusted. Hearing no objections, he moved to the next Agenda item.

9:35 a.m. The Council welcomed Secretary Michael Schirling and Deputy Secretary Ted Brady and heard a presentation on the Agency of Commerce and Community Development's strategic plan for the upcoming years.

10:05 a.m. Minutes – June 19, 2017

Chair Stephan Morse inquired as to any corrections or changes to the draft meeting minutes for June 19, 2017. Hearing none, requested a motion.

❖ At 10:06 a.m. Emma Marvin moved to accept the June 19, 2017, meeting minutes as presented. Michael Keane seconded the motion. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O’Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
- ◆ Nay: None
- ◆ Abstain: None

10:08 a.m. Public Comment

Chair Stephan Morse 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. Vermont Employment Growth Incentive (VEGI):  
Logic Supply, Inc./Greenfield Capital, LLC., South Burlington (Initial)  
Winooski, LLC/Dealer Policy, LLC, Colchester (Initial)

❖ At 10:11 a.m. Michael Keane moved to enter into Executive Session to discuss VEGI applications, citing 1 VSA, §313(a)(6). Jean O’Sullivan seconded the motion. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O’Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
- ◆ Nay: None
- ◆ Abstain: None

❖ At 10:40 a.m. the Council exited from the Executive Session.

❖ At 10:42 a.m. Michael Keane made a motion that the Council find that regarding the application from Logic Supply, Inc/Greenfield Capital, LLC:

- The new revenue the proposed project generates to the State exceeds the costs of the activity to the state by \$418,652;
- The host municipality welcomes the new business;

- The proposed economic activity conforms 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 an Initial Application from Logic Supply, Inc/Greenfield Capital, LLC, South Burlington, giving initial authorization of VEGI incentives of up to \$809,253, with an estimated incentive of \$740,760 based on application data, for activity to commence September 1, 2017, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2017. Patricia Horn seconded the motion. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O'Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
  - ♦ Nay: None
  - ♦ Abstain: None
- ❖ At 10:50 a.m. Michael Keane moved to enter into Executive Session to discuss VEGI applications, citing 1 VSA, §313(a)(6). Patricia Horn seconded the motion. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O'Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
  - ♦ Nay: None
  - ♦ Abstain: None
- ❖ At 11:50 a.m. the Council exited from the Executive Session.
- ❖ At 11:51 a.m. Thad Richardson made a motion that the Council find that regarding the application from Winooski, LLC/DealerPolicy, LLC:

- The new revenue the proposed project generates to the State exceeds the costs of the activity to the state by \$53,092;
- The host municipality welcomes the new business;
- The proposed economic activity conforms 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 an Initial Application from Winooski, LLC/Dealer Policy, LLC; Colchester, giving initial authorization of VEGI incentives of up to \$106,670, with an estimated incentive of \$92,566 based on application data, for activity to commence September 15, 2017, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2017. Patricia Horn seconded the motion. Chair Stephan Morse inquired as to further discussion, hearing none requested a roll call for the vote. The vote was 7-1-0 and the motion passed.

- ♦ Aye: Chair Stephan Morse; Michael Keane; Mark Nicholson; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
- ♦ Nay: Jean O’Sullivan
- ♦ Abstain: None

11:55 a.m. Other Business

Fred Kenney reviewed the VEGI program cap and LMA enhancement cap with the Board, as follows:

VEGI CAPWATCH					
	COMPANY	STATUS	PROGRAM	LMA	LMA %
2017			\$10,000,000	\$1,000,000	
	Kingdom Pellet	Initial	\$400,545	\$62,632	100%
	Vermont Precision Tool	Initial	\$304,997	NA	NA
	Westminster Cracker	Rescinded	\$0	\$0	0%
	Commonwealth Dairy	Initial	\$648,327	\$0	0%
	Lawsons Finest	Initial	\$1,041,808	\$313,867	100%
	Soya Canfralia	Initial	\$580,995	\$190,833	75%
	GS Blodgett	Initial	\$652,501	NA	NA
	Logic Supply	Initial	\$809,230	NA	NA
	Dealer Policy	Initial	\$106,670	NA	NA
	LED Dynamics	Prelim-Sept	\$424,443	\$273,363	100%
	Barry Callebaut	Prelim-Sept	\$187,298	NA	NA
		<b>Totals</b>	<b>\$5,156,814</b>	<b>\$840,695</b>	
		<b>Balance</b>	<b>\$4,843,186</b>	<b>\$159,305</b>	

Fred then thanked Shelley Pembroke for covering the meeting today and announced that Kim Baker has moved to another position at ACCD. The VEPC Grant Programs manager position has been advertised and interviews have started.

Fred asked the Board for their review and approval of the 2017 VEGI Annual Report.

- ❖ At 12:05 p.m. Emma Marvin moved to approve the 2017 VEGI Annual Report. Michael Keane seconded. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O'Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None

Fred asked the Board for review and approval of the VEGI Wage and Benefit Report required by Act 69 (2017).

- ❖ At 12:15 p.m. Michael Keane moved to recommend to the Secretary of Commerce and Community Development that the Agency submit the report as drafted to the General Assembly. Mark Nicholson seconded. Chair Stephan Morse 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 Stephan Morse; Michael Keane; Mark Nicholson; Jean O'Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None

Fred updated the Board on activity regarding TIF applications and interest in the program. An application is expected from Bennington in October. At least 16 other communities have expressed interest. Springfield, Montpelier, and Newport are activity taking steps toward a potential application. Fred is also updating the TIF Rule and has solicited input from stakeholders.

Fred reminded the Board that the October meeting is likely to be in Bennington if the TIF application is submitted as planned.

Chair Stephan Morse noted that the next meeting is scheduled for September 28, in Montpelier.

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

❖ At 12:20 p.m. Jean O'Sullivan moved to adjourn the meeting. Emma Marvin seconded the motion. Chair Stephan Morse requested a roll call for the vote, all voted in favor and the motion passed. 8-0-0.

- ◆ Aye: Chair Stephan Morse; Michael Keane; Mark Nicholson; Jean O'Sullivan; Patricia Horn; Rachel Smith; Thad Richardson; and Emma Marvin
- ◆ Nay: None
- ◆ Abstain: None

*Minutes taken by: Shelley Pembroke*

*Revised by Fred Kenney: August 31, 2017*

*Approved by the Council: September 28, 2017*