



MEETING MINUTES  
MARCH 29, 2018  
DEANE C. DAVIS BUILDING  
1 NATIONAL LIFE DRIVE, MONTPELIER

CALVIN COOLIDGE CONFERENCE ROOM, 6<sup>TH</sup> FLOOR  
9:30 A.M. TO 10:55 A.M.

**Members Present:** Chair John Davis; Betsy Gentile; Michael Keane; Patricia Horn; Thad Richardson; and Emma Marvin

**Members Present by Phone:** Mark Nicholson; Rachel Smith

**Members Absent:** Stephan Morse; Jean O'Sullivan

**Staff Present:** Casey Mock, Executive Director; and Abbie Sherman, Grant Programs Manager

**Others Present:** Curt Carter, Senior Vice President, Greater Burlington Industrial Corporation; Jason Hackerman, CFO, Gordini USA; Dave Gellis, President, Gordini USA; Allan Sullivan.

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**9:35 a.m. Roll Call and Agenda Review**

Chair John Davis called the meeting to order.

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.

**9:36 a.m. Minutes – February 22, 2018**

Chair John Davis inquired as to any corrections or changes to the draft meeting minutes for February 22, 2018. Hearing none, requested a motion.

- ❖ At **9:36 a.m.** Michael Keane moved to accept the February 22, 2018, meeting minutes as presented. Patricia Horn 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. 6-0-0.
  - ◆ Aye: Chair John Davis; Michael Keane; Patricia Horn; Thad Richardson; Mark Nicholson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None

**9:37 a.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.

Betsy Gentile joined the meeting at 9:37 a.m.

**9:38 a.m. Vermont Employment Growth Incentive (VEGI):  
Gordini USA, Essex Junction (Initial)**

- ❖ At **9:38 a.m.** Betsy Gentile moved to enter into Executive Session to discuss VEGI applications, citing 1 VSA §313(a)(6). Patricia Horn 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. 7-0-0.
  - ◆ Aye: Chair John Davis; Betsy Gentile; Michael Keane; Patricia Horn; Thad Richardson; Mark Nicholson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None
  
- ❖ At **10:31 a.m.** the Council exited from the Executive Session. Rachel Smith joined the meeting during Executive Session.
  
- ❖ At **10:32 a.m.**, Emma Marvin made a motion regarding the Initial Application filed by Gordini USA, for a project in Essex Junction, 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 \$250,110;
  - ◆ 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 \$172,475, with an estimated incentive of \$160,977 based on application data, for activity to commence May 1, 2018, subject to submittal and consideration of a Final VEGI Application before the end of calendar year 2018. Michael Keane 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; Betsy Gentile; Michael Keane; Patricia Horn; Rachel Smith; Thad Richardson; Mark Nicholson; and Emma Marvin
- ◆ Nay: None
- ◆ Abstain: None

**10:34 a.m. Tax Increment Financing Districts (TIF):**  
Draft TIF Annual Report  
Bennington Authorization Document Revision

A draft of the TIF Annual Report was previously provided the Council by VEPC staff. Casey Mock noted the report is due to the legislature by April 1 and outlined changes in the format of report for the reporting year. Information and education materials regarding how TIF functions is available elsewhere such as the VEPC website. Presentation of the Annual Revenue Generation table changed. The table previously assumed escalating tax rates. Starting with the Bennington TIF application, towns have been asked to hold tax rates flat. Additional feedback from Joint Fiscal Office reflected a preference to hold the tax rates flat and reflect revenues more conservatively. The Annual Revenue Generation table has been updated to show this. Comments from the Council noted that the report was readable, brief, and helpful in that the report showed what was actually created in the TIF districts. Casey Mock noted that future reports will further reflect the differences in criteria under which districts were created to highlight the thoroughness of the current approval process. No action was required from the Council. The Council commended Abbie Sherman on her work with the report, which will be sent to the legislature on Friday, March 30.

Regarding the Bennington Authorization Document, Casey Mock noted that changes had been made to the second paragraph on page 45 of the document regarding approval of the TIF Financing Plan. Language regarding financing of debt was simplified to direct the Town of Bennington to the relevant section in Vermont statute. The original document reflected outdated citations to statute.

- ❖ At **10:41 a.m.** Michael Keane moved to approve the Bennington TIF District Authorization Document as revised. Betsy Gentile 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; Betsy Gentile; Michael Keane; Patricia Horn; Rachel Smith; Thad Richardson; Mark Nicholson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None

**10:42 a.m. Executive Director Updates:**  
Legislative Updates

Casey Mock advised the Council that proposed changes to VEGI and added enhancements did not make crossover deadline in the legislature. It may be possible to append high priority items to bills that did make deadline, including the LMA enhancements request to remove the cap. The LMA cap has no bearing to the program design or fiscal responsibility of the statute. With removal of the cap, VEPC could incentivize more growth in LMA areas. Casey Mock also noted that the if the minimum wage increase is passed, there will be a push to change the VEGI wage threshold to being set by the Joint Fiscal Office (JFO) to livable wage. This is the same standard the Vermont Training Program uses and will allow the agency to put forth a standard set of requirements for programs. Benefit corporations may also be appended to a bill.

In regards to TIF, there was one TIF bill that did make the crossover and is currently in House Ways & Means. Casey Mock noted that language regarding the need for a separate general assembly approval of any new TIFs after the initial six, in addition to VEPC's approval, has been removed from the bill.

Current discussion is regarding the JFO report which is an annual requirement by statute. Casey Mock is working with Representative Jean O'Sullivan and the JFO to replace that requirement by proposing language where VEPC and the JFO would work to set metrics for measuring statewide impacts of TIF districts.

Casey Mock advised the Council that a letter of intent has been received from Montpelier for application of a TIF district. Local approval is still needed, but it is expected that the Council will see an application by the June meeting.

In other business, Casey Mock advised that there are 2 or 3 VEGI applications coming forth for the April meeting.

Thad Richardson inquired as to the reliance on regional develop corporations (RDCs) to promote VEPC and if there is more that could be done to encourage businesses to make use of VEGI. Casey Mock recommends encouraging business to first connect with RDCs, who could then make referrals to programs. Discussion then turned to communicating how serious the Council takes the review of the "but for" requirement and to marketing the second option of the requirement where a project would not happen to the same degree without the incentive. Betsy Gentile suggested a "road show" with the assistance of RDCs where successful applicants could speak to potential growth companies about VEGI.

Chair John Davis noted that the next meeting is scheduled for April 26, 2018.

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

- ❖ At **10:55 a.m.** Michael Keane moved to adjourn the meeting. Betsy Gentile seconded the motion. Chair John Davis requested a roll call for the vote, all voted in favor and the motion passed. 8-0-0.
  - ◆ Chair John Davis; Betsy Gentile; Michael Keane; Patricia Horn; Rachel Smith; Thad Richardson; Mark Nicholson; and Emma Marvin
  - ◆ Nay: None
  - ◆ Abstain: None

*Minutes taken by Abbie Sherman: March 29, 2018*  
*Revised by Casey Mock: March 30, 2018*  
*Approved by the Council: April 26, 2018*