Vermont Chamber of Commerce - February 11, 2014 Proposed Regulatory Changes for Enterprise Zones (Industrial Parks) S.220 - Taken from Senator Baruth's Proposed Language

Statement of purpose of bill as introduced: This bill proposes to create enterprise zones to create providing designated spaces for targeted industrial growth related to designated downtowns, village centers, new town centers, or growth centers, and to provide state assistance for these zones so that industrial and business uses are able to locate in appropriate locations rather than sprawling into the rural countryside.

An act relating to creating enterprise zone incentives. It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. FINDINGS AND PURPOSE

(1) The General Assembly finds that there are areas that may not be appropriate for, or compatible with, existing uses within <u>Vermont's traditional</u> the downtowns, village centers, new town centers, or growth centers of a community.

(2) In order to enhance the quality of these centers and to create a place for inconsistent uses to locate without sprawling into the countryside, enterprise zones should be recognized and include lands appropriate for business or industrial use, as determined by the local and regional planning authorities for the area and with the approval of the Commissioner of the Department of Housing and Community Development within the Agency of Commerce and Community Development. <u>It shall be determined</u> that such industrial parks are necessary for high wage, value added employment.

Sec. 2. ENTERPRISE ZONE; DESIGNATION; INCENTIVES

(a) Upon approval of the Commissioner of Housing and Community Development, a regional planning commission shall have the authority to designate as a Vermont Enterprise Zone one or more geographic areas within its service area that, at minimum:

(1) has clearly defined boundaries that are zoned or permitted for industrial or business use as of January 2010 and has been approved by one or more municipalities in their municipal plans to accommodate a share of the industrial and business growth anticipated by the municipality or municipalities over a 20-year period;

(2) functions as a single, integrated area and provides functional connections, namely connections to existing or planned public or private infrastructure. ,to a designated downtown, village center, new town center or growth center located within a community.

(b) Notwithstanding any other provision of law to the contrary, the developer of a project in an approved Vermont Enterprise Zone shall be eligible for the following incentives:

(1) access to the loans and assistance available to a local development corporation from the Vermont Economic Development Authority for the creation or improvement of industrial parks under 10 V.S.A. chapter 12, subchapter 3 (Industrial Parks, Speculative Buildings, and Small Business Incubator Facilities);

(2) site planning assistance from the Department of Housing and Community Development in an amount up to 50 percent of the project cost;

(3) financing of up to 50 percent of site acquisition and infrastructure development costs from the Department of Housing and Community Development, through grants, loans, or other mechanisms as determined by the Commissioner of Housing and Community Development in his or her discretion.

(4) for an industrial park in existence since January 2010 that has a current valid Act 250 permit and is located within a municipality that has adopted a municipal plan and zoning and subdivision bylaws, the project shall be exempt from the requirements of 10 V.S.A. chapter 151.

Sec. 3. ACT 250 EXEMPTION: MASTER PERMITTED INDUSTRIAL PARKS

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10 V.S.A. § 6001(3)(D) is amended to read: (language for transfer of regulatory authority)

(vi) The construction of improvements for industrial purposes, or substantial or material changes to the construction of such improvements, on a tract or tracts of land, owned or controlled by a person, that lie entirely within an industrial park defined in 10 V.S.A. § 212¹ and which is currently subject to: designation as a Vermont Enterprise Zone by the regional planning commission in the affected area with the approval of the Commissioner of Housing and Community Development; and, a master permit issued pursuant to this chapter and 24 V.S.A. § 2793c (6), within a municipality that:

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(I) has a duly adopted municipal plan regionally approved pursuant to 24 V.S.A.

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(II) has duly adopted permanent zoning and subdivision bylaws necessary to implement the municipal plan;

(III) has adopted a development review board; and,

(III) has elected by ordinance, adopted under chapter 59 of Title 24, to have municipal jurisdiction under this subdivision (3)(D)(vi) apply, in lieu of jurisdiction that would otherwise apply under this chapter. For an industrial park subject to a master permit issued under this chapter, the municipality that has elected by ordinance to exercise jurisdiction shall implement and enforce all provisions and conditions of such permit while municipal jurisdiction is being exercised.

¹ 10 V.S.A. § 212. Definitions

As used in this chapter:

(7) "Industrial park" means an area of land planned and designed as a location for one or more industrial buildings, including adequate access roads, utilities, and other services necessary for eligible facilities;

24 V.S.A. § 2793c (6)(A) and (B) are added to read:

(6) Regulatory incentives for Vermont Enterprise Zones.

(A) Master plan permit application. Pursuant to 10 V.S.A., chapter 151, any person or persons who exercise ownership or control over an area encompassing all or part of Vermont enterprise zone, as formally adopted in local plans and approved in the regional planning process, may apply for a master plan permit for that area or any portion of that area to the District Environmental Commission pursuant to the procedures and policies of the Natural Resources Board. Municipalities making an application under this subdivision are not required to exercise ownership of or control over the affected property. In approving a master permit, the District Commission may set forth specific conditions that an applicant for an individual project permit will be required to meet during the review by a Development Review Board in a municipality that has elected by ordinance to assume such regulatory authority pursuant to 10 V.S.A. § 6001(3)(D)(iv).

(B) Individual project permits within a Vermont Enterprise Zone. The Development Review Board created pursuant to this chapter shall review individual permit applications in accordance with the specific findings of fact and conclusions of law determinations on the criteria of 10 V.S.A. § 6086(a) issued by the District Commission in the applicable master plan permit. Any person proposing a development or subdivision within a Vermont Enterprise Zone where no master plan permit is in effect shall be required to file an application with the District Commission for review under the criteria of 10 V.S.A. § 6086(a).

Sec. 4. PRIMARY AGRICULTURAL SOILS: INDUSTRIAL PARKS

10 V.S.A. § 6093(a)(4) is amended to read:

(4) Industrial parks.

(A) Notwithstanding any provision of this chapter to the contrary, a conversion of primary agricultural soils located in <u>a new, existing or expanded an</u> industrial park as defined in subdivision 212(7) of this title² and permitted under subject to jurisdiction under this chapter and in existence as of January 1, 2006, shall be allowed to pay a mitigation fee computed according to the provisions of

² 10 V.S.A. § 212. Definitions

As used in this chapter:

(7) "Industrial park" means an area of land planned and designed as a location for one or more industrial buildings, including adequate access roads, utilities, and other services necessary for eligible facilities;

subdivision (1) of this subsection, except that it shall be entitled to in accordance with a ratio of 1:1, protected acres to acres of affected primary agricultural soil and a "price-per-acre" value, which shall be based on the amount that the Secretary of Agriculture, Food and Markets has determined to be the recent, per-acre cost to acquire conservation easements for primary agricultural soils in the same geographic region as the proposed development or subdivision.

If an industrial park is developed to the fullest extent before any expansion, this ratio shall apply to any contiguous expansion of such an industrial park that totals no more than 25 percent of the area of the park or no more than 10 acres, whichever is larger; provided any expansion based on percentage does not exceed 50 acres. Any expansion larger than that described in this subdivision shall be subject to the mitigation provisions of this subsection at ratios that depend upon the location of the expansion.

(B) In any application to a <u>D</u> eistrict <u>Environmental C</u> eommission for <u>a new industrial park</u> or the expansion of an existing industrial park, compact development patterns shall be encouraged that to assure the most efficient use of land and the realization of maximum economic development potential through appropriate densities <u>taking into account the long term needs for project expansion</u> within each lot of the industrial park. Industrial park expansions and industrial park infill shall not be subject to requirements established in subdivision 6086(a)(9)(B)(iii) of this title, nor to requirements established in subdivision <u>6086(a)(9)(C)(iii)</u>.