Regional Development Corporations of Vermont

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Vermont State Senate
Statehouse
Montpelier

March 17, 2015

Dear Vermont Senate Member:

The twelve Regional Development Corporations (RDCs) of Vermont wanted to reach out to each Senate member to make you aware of our unified support of S.138 in its entirety. This is the comprehensive Economic Development bill that just came out of the Senate Committee on Economic Development, Housing and General Affairs last week. Senator Mullin's committee did a very good job of crafting a bill that improves some existing programs and creates new opportunities to help businesses and strengthen the Vermont economy.

Notably, positive changes made to the Vermont Economic Growth Incentive (VEGI) that we believe will make the program more attractive to businesses, including those that may not have considered VEGI in previous years. Important changes were made to the Vermont Strong Scholars program. In particular, the loan forgiveness and internship initiative may help some of our advanced manufacturers attract workers to replenish their skilled, but aging workforce and thereby revitalize our communities.

Even though we are in a challenging fiscal environment, the RDCs believe that the Angel Investor and Millennial Enterprise Zone tax credits are crucial for attracting investment and creating new, high paying, high-skilled jobs in Vermont. Additionally, in too many Vermont communities, the availability of affordable housing remains an issue. We therefore support all of the proposed tax credits.

As RDCs, we are very supportive of the land use components of S.138. Specifically, the language regarding permitting in industrial parks and the creation of Enterprise Zones is important to us for our recruitment and business retention and expansion efforts. Streamlining processes and reducing permitting time and expense makes it easier for businesses to focus on what they do best – creating jobs and wealth for Vermonters. Also, while the newest Act 250 Criterion 9L was developed to promote new development that is consistent with Vermont's historic development pattern of compact centers surrounded by working lands, the guidance developed to implement this objective has created confusion at the local level (in some cases slowing development). The RDCs are supportive of revising the Criterion 9L procedure and will participate fully now that we have seen to some degree how it has played out on the ground.

Lastly, the RDCs are in full agreement that the Tourism and Marketing Initiative and Domestic Export initiative in S.138 is necessary. While the Vermont brand has historically been strong in New England, nationally, and even globally, this may not always be the case. As we compete with neighboring states and U.S. regions to attract new, high-tech companies and workers we realize we can't compete with the large monetary incentives found elsewhere. We can, however, work to ensure that the Vermont brand remains strong and serves all of our key economic sectors.

S.138 is a fairly comprehensive bill that we hope your respective committees can support. In the difficult fiscal climate we are facing today, reducing expenses is obviously important. It is just as important, however, to focus on building and strengthening our economy. This bill will help to do just that. Thank you for your consideration and for your efforts in this challenging year.

Respectfully,

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