

Rural Economic Development Infrastructure Districts

Why REDI Districts?

REDI (Rural Economic Development Infrastructure) districts are the answer for the 61% of Vermont that lives in between the population centers and needs infrastructure for sustainable economic and community development. Goldilocks answer for economic infrastructure projects needing the tax-advantaged status of a unit of local government but relying on a revenue-generating customer base occupying territory that doesn't conform to existing municipal boundaries. This includes projects crossing several municipal lines and even unserved markets in geographic proximity but not necessarily contiguous with one another.

Is a New District Form Necessary?

Nothing else allows underserved areas that are united by need, but divided by municipal boundaries, to group together to create the critical economic mass needed to support economic development infrastructure that can be paid for by the revenues of the investment. It is an *exceptional* opportunity to enable local bootstrapping of critical infrastructure projects, and enable provision of key infrastructure in remote areas without resorting to taxation. Vermont law provides several ways citizens' needs are addressable via a municipal entity other than cities and towns. However, nearly all are based on towns and cities as the basic building blocks.

Municipal unions: Every Vermonter lives within a regional planning district, economic development district, solid waste district, and some sort of school district ... to name a few. Twenty-four east central Vermont towns reside within a telecommunications union district (ECFiber). In addition to these special district forms, Vermont law provides for two generic multi-town structures: (1) Interlocal Contracts (ILCs) commonly used for road maintenance and rescue services, and (2) Intermunicipal Service Agreements (IMSAs) formed by and within regional planning commission districts. Chittenden County's impending dispatch services is an example of the latter.

Intra-Municipal: Some Vermont towns encompass water, sewer, or police districts generally serving the village, but excluding the less populated portions of town. In some cases, residents finance the services through user fees or reside within a special property-taxing district.

Extra-municipal: Only one structure in Vermont statute contemplates a municipal structure serving only part of town and extending across the town line into a neighboring municipality: fire districts. There are fire districts serving portions of towns in Colchester, Barnet, Dover, and many others. Multi-town districts, though provided for in statute, were not enumerated in the 2015 Kling Report on fire services in Vermont (most multi-town fire protections is provided via contract to a neighboring district).

Other States: In non-New England states where county form of government is the norm, rural economic development districts spanning political subdivisions are quite common. Examples are readily found in Oregon, Colorado, Illinois, Ohio, and the northern plains states.

<i>District Type</i>	<i>Purpose</i>	<i>Taxpayers not responsible debt service shortfall</i>	<i>Excluded from using of eminent domain.</i>	<i>Serve and be governed by areas of need</i>	<i>Crosses municipal boundaries</i>	<i>Lender/Partner Attractiveness</i>
Municipalities (villages, school districts)	local government	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Municipal Telecom Union Districts (Act 41)	telecom	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Interlocal Contracts (ILC)	municipal services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Intermunicipal Service Agreements (RPCs)	Extra-jurisdictional municipal services	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	?
Fire Districts	fire	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	n/a
Non-Profit	Various (any tax-exempt purpose for 501(c)(3))	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Co-ops	Typically consumer outlets, electrification, other.	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
Solid waste districts	Solid waste	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Sewer and water districts	Water / sewer	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>
REDI	Economic development	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>	<input checked="" type="radio"/>