



Policy and Administrative Barriers to Regional Development “Case Studies in Inefficiency and Lost Opportunity”

The following examples are sourced from public reporting, the developer involved, the owner or representative of the owner/developer. REDC staff continues to fact check each. REDC staff has not spoken with State Agency staff. These accounts are examples that create the image that Vermont lacks a business friendly approach to development.

Rutland Commons/BJ's, Rutland Town

- 82,575-square-foot shopping center received Act 250 permit in 2009
- nine-store, \$8.2 million shopping center proposed for 19.5-acre site
- met with approval from Rutland Town and Rutland City
- called the "smartest and greatest thing ever to happen in Rutland Town" by Select Board Chairman
- transportation mitigation mandated and agreed upon
- construction halted; land sold to a real estate investment firm in 2014
- new firm planned to build BJ's wholesale club (with a tire center and nearby gas pumps) with 85 to 100 new jobs created
- site would also house restaurant and coffee shop
- expected to draw shoppers from a sizable radius
- Act 250 permit amendment application submitted
- project unanimously approved by the Rutland Town Planning Commission
- District I Environmental Commission approved the project
- the Diamond Run Mall, once considered a possible site for BJ's, appealed the decision
- process used to delay and, eventually, kill the application
- the developers walked away due to mounting costs and uncertain timelines

Garvey's Nissan, North Clarendon

- Garvey Nissan applied to build 15,000 square-foot sales and service building with 240 parking spaces in North Clarendon along the border of Rutland Town
- moving existing business to relocate closer to other new car dealerships along Route 7
- \$2 million project
- planning to employ as many as 20 employees
- would bring additional property tax revenue to Clarendon and sales tax revenue to Vermont
- Clarendon's Select Board and Planning Commission both have given unanimous approval of the project
- project held up in Act 250 process citing 9L criteria, despite its location near existing car dealerships



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Killington Village, Killington

- Act 250 permit submitted in February 2012
- Stormwater permits didn't come through until June 2013
- December 2014 hearing before Environmental Court
- Decision from environmental court came in April 2016
- Regional planning commissions made a motion to modify
- It has been appealed to the Vermont Supreme Court; expecting a hearing by April or May 2017 and a decision no sooner than Thanksgiving of 2017; held up in appeals by one person claiming party status
- The environmental site plan hearing will be late December 2016
- Construction would likely not start until 2019 at the earliest
- Projected jobs to be created during the construction phase number in the hundreds; phase I build-out would take 18-19 months
- when conceived in 2010 it was a \$132 million project creating \$1 billion of real estate of a 25-year period
- the delay in permitting has caused product obsolescence -- market conditions have changed considerably and more costs will be incurred redesigning aspects of the plan

Additional comments from developers and process participants

- regulators need to be partners, not adversaries, and should help navigate the system
- permitting specialists have little perspective on the burdens of development – their focus is on strict administrative implementation of regulation resulting in overly aggressive enforcement
- state permits are reviewed twice - once upon application, and again in the Act 250 process
- ability to appeal on tenuous grounds with no cost to the appellants, much cost to the developer
- process is expensive, unpredictable, and prolonged