

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
Creation of New Districts	<p>No new districts allowed:</p> <p>(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district, and the Vermont Economic Progress Council is not authorized to approve any additional tax increment financing districts even if one of the districts named in this subsection is terminated pursuant to subsection 1894(a) of this subchapter:</p>	<p>New districts allowed, subject to restrictions:</p> <p>(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district, and the Vermont Economic Progress Council is not authorized to approve any additional tax increment financing districts even if one of the districts named in this subsection is terminated pursuant to subsection 1894(a) of this subchapter:</p>	<p>New districts allow, no restrictions:</p> <p>(d) The following municipalities have been authorized to use education tax increment financing for a tax increment financing district, and the Vermont Economic Progress Council is not authorized to approve any additional tax increment financing districts even if one of the districts named in this subsection is terminated pursuant to subsection 1894(a) of this subchapter:</p>
Restrictions for New Districts	No new districts allowed	<p>Restrictions on number of districts in a single municipality; in a single county:</p> <p><u>(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.</u></p> <p><u>(2) The Council shall not approve more than two districts in a single county, provided:</u></p> <p><u>(A) For purposes of this subdivision (2), the districts listed in 24 V.S.A. § 1892(d) shall not be counted against the two-district limit for a county.</u></p>	No additional restrictions beyond current law

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
		<p><u>(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application that, in the Council’s discretion, best meets the economic development needs of the county.</u></p> <p><u>(C)(i) A municipality shall immediately notify the Council if it resolves not to incur debt for an approved district within five years of approval or a five-year extension period as required in 24 V.S.A. § 1894.</u></p> <p><u>(ii) Upon receiving notification pursuant to subdivision (2)(C)(i) of this subsection, the Council shall terminate the district and may approve a new district, subject to the provisions of this section and 24 V.S.A. chapter 53, subchapter 5.</u></p> <p><u>(3) The Council shall not approve any additional districts on or after July 1, 2024.</u></p>	
Time Limit for New Districts	No new districts allowed	July 1, 2017 – July 1, 2024	Perpetual

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
<p>Tax Increments – Percentages Retained for Debt Service</p>	<p>State share = up to 75%</p> <p>Municipal share = minimum equal share as State; can elect to retain more of municipal increment</p>	<p>State share = up to 75%</p> <p>Municipal share = State share plus 5%</p>	<p>State share = up to 75%</p> <p>Municipal share = minimum equal share as State; can elect to retain more of municipal increment</p>
<p>Criteria for approval; “But for” analysis</p>	<p>To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:</p> <p>(1) Review each application to determine that the new real property development would not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. The review shall take into account:</p> <p>(A) the amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;</p>	<p>To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:</p> <p>(1) Review each application to determine that the new real property <u>proposed infrastructure improvements and the proposed</u> development would not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. The review shall take into account:</p> <p>(A) the amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;</p>	<p>To approve utilization of incremental revenues pursuant to subsection (f) of this section, the Vermont Economic Progress Council shall do all the following:</p> <p>(1) Review each application to determine that the new real property <u>proposed infrastructure improvements and the proposed</u> development would not have occurred or would have occurred in a significantly different and less desirable manner but for the proposed utilization of the incremental tax revenues. The review shall take into account:</p> <p>(A) the amount of additional time, if any, needed to complete the proposed development within the tax increment district and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;</p>

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
	<p>(B) how the proposed development components and size would differ, if at all, without education property tax increment financing; and</p> <p style="text-align: center;">* * *</p>	<p>(B) how the proposed development components and size would differ, if at all, without education property tax increment financing, <u>including, if applicable to the development, the number of units of affordable housing, as defined in 24 V.S.A. § 4303</u>; and</p> <p style="text-align: center;">* * *</p>	<p>(B) how the proposed development components and size would differ, if at all, without education property tax increment financing, <u>including, if applicable to the development, the number of units of affordable housing, as defined in 24 V.S.A. § 4303</u>; and</p> <p style="text-align: center;">* * *</p>
Location Criteria	<p>(3) Location criteria. Determine that each application meets one of the following criteria:</p> <p style="padding-left: 40px;">(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.</p> <p style="padding-left: 40px;">(B) The proposed district is within an approved growth center, designated downtown, designated village center, or new town center.</p>	<p>(3) Location criteria. Determine that each application meets one of the following criteria:</p> <p style="padding-left: 40px;">(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.</p> <p style="padding-left: 40px;">(B) The proposed district is within an approved growth center, designated downtown, designated village center, or new town center, <u>or neighborhood development area</u>.</p>	<p>(3) Location criteria. Determine that each application meets one of the following criteria:</p> <p style="padding-left: 40px;">(A) The development or redevelopment is compact, high density, and located in or near existing industrial areas.</p> <p style="padding-left: 40px;">(B) The proposed district is within an approved growth center, designated downtown, designated village center, or new town center, <u>or neighborhood development area</u>.</p>

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
	(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the area has experienced patterns of increasing unemployment, a drop in average wages, or a decline in real property values.	(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the area has experienced patterns of: <ul style="list-style-type: none"> (i) increasing unemployment, a drop in; (ii) decreasing average wages; or (iii) a decline in declining real property values. 	(C) The development will occur in an area that is economically distressed, which for the purposes of this subdivision means that the area has experienced patterns of increasing unemployment, a drop in average wages, or a decline in real property values <u>municipality in which the area is located has:</u> <ul style="list-style-type: none"> (i) <u>median family income that is 80 percent or less of the statewide median family income as reported by the Vermont Department of Taxes for the most recent year for which data is available;</u> (ii) <u>an annual average unemployment rate that is at least one percent greater than the latest annual average statewide unemployment rate as reported by the Vermont Department of Labor;</u> <u>or</u> (iii) <u>a median sales price for residential properties under six acres that is 80 percent or less than the statewide median sales price for residential properties under six acres as reported by the Vermont Department of Taxes.</u>
Project Criteria	(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least three of the following five criteria:	(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least three <u>two</u> of the following five <u>four</u> criteria:	(4) Project criteria. Determine that the proposed development within a tax increment financing district will accomplish at least three <u>three</u> of the following five <u>six</u> criteria:

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
	<p>(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.</p> <p>(B) The development includes new housing that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. "Affordable" has the same meaning as in 10 V.S.A. § 6001(29).</p> <p>(C) The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.</p> <p>(D) The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the</p>	<p>(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.</p> <p>(B) The development includes new <u>or rehabilitated affordable</u> housing that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. "Affordable" has the same meaning as in 10 V.S.A. § 6001(29), <u>as defined in 24 V.S.A. § 4303.</u></p> <p>(C)<u>(B)</u> The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.</p> <p>(D)<u>(C)</u> The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the</p>	<p>(A) The development within the tax increment financing district clearly requires substantial public investment over and above the normal municipal operating or bonded debt expenditures.</p> <p>(B) The development includes new <u>or rehabilitated affordable</u> housing that is affordable to the majority of the residents living within the municipality and is developed at a higher density than at the time of application. "Affordable" has the same meaning as in 10 V.S.A. § 6001(29), <u>as defined in 24 V.S.A. § 4303.</u></p> <p>(C)<u>(B)</u> The project will affect the remediation and redevelopment of a brownfield located within the district. As used in this section, "brownfield" means an area in which a hazardous substance, pollutant, or contaminant is or may be present, and that situation is likely to complicate the expansion, development, redevelopment, or reuse of the property.</p> <p>(D)<u>(C)</u> The development will include at least one entirely new business or business operation or expansion of an existing business within the district, and this business will provide new, quality, full-time jobs that meet or exceed the</p>

<u>TIF: CURRENT LAW vs. PROPOSED LANGUAGE</u>			
<u>Subject</u>	<u>Current Statute</u>	<u>SED – S.99</u>	<u>White + Burke</u>
	<p>prevailing wage for the region as reported by the department of labor.</p> <p>(E) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.</p>	<p>prevailing wage for the region as reported by the department of labor.</p> <p>(E)(D) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.</p>	<p>prevailing wage for the region as reported by the department of labor.</p> <p>(E)(D) The development will enhance transportation by creating improved traffic patterns and flow or creating or improving public transportation systems.</p> <p>(E) <u>The development will foster revitalization of an approved growth center, designated downtown, designated village center, new town center, or neighborhood development area.</u></p> <p>(F) <u>The development includes creation or expansion of a business incubator, maker space, innovation center, or rural hub.</u></p>