VERMONT

Agency of Commerce and Community Development

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To:
Senate Committee on Agriculture
Senate Committee on Economic Development, Housing and General Affairs
House Committee on Commerce and Economic Development
House Committee on Agriculture and Forestry
House Committee on Natural Resources, Fish, and Wildlife

From: Ted Brady, Deputy Secretary of the Vermont Agency of Commerce and Community Development

Cc: Act 194 Working Group

Date: December 15, 2018

Subject: Act 194 § 22 Report on Recommendations Supporting Industrial Parks and Rural Economic Development

On behalf of ACCD's stakeholder working group, I am pleased to submit the attached report that describes the engagement process and recommendations to amend Act 250's master plan permit process to support development within industrial parks. The group also recommends changes to the Vermont Economic Development Authority's Local Development Corporation loan program to reduce the cost to pre-permit master planned parks.

Act 194 § 22 Report

An act of the 2018-2019 session related to rural economic development

A report recommending regulatory and permitting incentives to businesses sited within master planned industrial parks.

Prepared by the Agency of Commerce and Community Development
December 15, 2018

VERMONT
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT

ACKNOWLEDGEMENTS

This report and recommendations would not be possible without help, input, and energy of the following partners: the Department of Housing and Community Development, the Department of Economic Development, the Natural Resources Board, the Agency of Natural Resources, the Regional Development Corporations, the Regional Planning Commissions, the Town of Johnson (as a municipal representative), the Department of Public Safety, the Vermont Natural Resources Council, and the Vermont Economic Development Authority.

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EXECUTIVE SUMMARY

Section 22 of Act 194 [1] recognizes that industrial development is a key factor in the strength of rural economies. The Act charged the Agency of Commerce and Community Development (ACCD) with developing recommendations to designate parcels in rural areas [2] as industrial parks and to identify regulatory and permitting incentives to grow businesses and jobs within these areas (APPENDIX 1: ACT 194 §22 LEGISLATIVE CHARGE).

In June 2018, ACCD convened a stakeholder working group that included representatives from the Department of Economic Development, the Department of Housing and Community Development, the Vermont Natural Resources Council, the Natural Resources Board (NRB), the Agency of Natural Resources, the Regional Planning Commissions (RPCs), the Regional Development Corporations (RDCs), the Town of Johnson (as a municipal representative), and the Division of Fire Safety (APPENDIX 2: PARTICIPANTS). Agency staff also coordinated with the Public Service Department, whose Act 194 Section 9 report will address reduced electric rates, net metering incentives, and other regulatory incentives for industrial parks. Agency staff further collaborated with the Vermont Economic Development Authority (VEDA) to identify existing and potential financing mechanisms that could help prepare rural areas for economic opportunities.

The working group met five times between June and November to explore the obstacles to industrial development and develop recommendations that increase rural economic development opportunities (APPENDIX 4: MEETING NOTES). To identify statewide and regional economic trends, challenges, and opportunities, the group surveyed the Executive Directors of Vermont's 22 RPCs and RDCs (APPENDIX 8: REGIONAL OUTREACH SURVEY RESULTS).

Primary obstacles to rural economic development identified in the regional survey – including workforce availability, access to affordable housing, social challenges, and access to childcare -- remain beyond the scope of this focused project. Although this report directly responds to the concern that Vermont is missing opportunities for industrial employment because of a lack of turn-key industrial buildings, the working group supports an expanded commitment to meet the broad economic challenges constraining rural economic development.

As the working group considered the best methods to accomplish the legislative charge, they weighed Act 59's (2013) recommendation to create enhanced incentives for industrial uses in state-designated growth centers instead of creating a new designation program under 24 V.S.A. Chapter 76A [3] (which requires substantial programmatic support and municipal capacity). Instead, the group recommends a more efficient and practical alternative to make the development of rural industrial infrastructure less costly, less time consuming, and more predictable – unlocking development opportunities in every corner of the state.

To overcome the industrial development challenges facing rural communities, the working group developed solutions to improve existing permitting and fee reduction tools and enhance financing incentives. Specifically, this report's recommendations will lead to more

[1] https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT194/ACT194%20As%20Enacted.pdf
[2] Rural areas are defined by the law to include all Vermont counties except Chittenden.
[3] https://legislature.vermont.gov/statutes/chapter/24/076A

business-ready locations by incentivizing developers to use the Act 250 master plan permit process. As proposed, any development or subsequent phase of development that complies with the master plan permit would be eligible to receive the benefit of fast, predictable approvals and reduced permitting fees at the time of construction. Additionally, rural industrial park developers who pursue the master plan permit process through Act 250 would have access to enhanced financing to pay for pre-development costs through VEDA's loan program, such as design, engineering, legal, and permitting expenses. This loan could supplement companion financing offered by VEDA for land acquisition and construction.

The working group's proposed amendments to Act 250 statute, NRB Rule 21 [4], and VEDA's loan program clarify the existing fee reduction policy for the master plan permit review process for industrial parks, enable administrative review when master planned lots in industrial parks are developed, and enhance existing financing tools for master plan permit projects within rural industrial parks (APPENDIX 10: DRAFT LEGISLATION). The draft recommendations were presented to the Legislative Commission on Act 250 for consultation on November 8, 2018 (APPENDIX 5: MEMO TO LEGISLATIVE COMMISSION ON ACT 250).

Approval of these changes would maintain Act 250's robust environmental protections and public input processes while providing developers and businesses with shovel-ready and turn-key opportunities at well-planned industrial parks across the state.

[4] https://nrb.vermont.gov/sites/nrb/files/documents/2015%20Adopted%20Rules.pdf

RECOMMENDATIONS

Act 194 recognizes that industrial development is a key factor in the health of rural economies. This report's recommendations affirm that industrial development can be done in ways that promote economic growth and uphold Vermont's environmental values. The draft legislation details the recommendations summarized below (APPENDIX 10: DRAFT LEGISLATION).

1. Permit Fees: Amend the Act 250 fee statute [4] to clarify that the fee for review of a master plan permit application is limited to $0.10 per $1000 of total estimated construction costs. The full permit fee of $3.12 to $7.40 per $1000 would only be assessed at the time and to the extent the applicant seeks construction approval.

   Establish a more robust process for permit fee reduction requests that includes specific criteria to reward best practice, time limits, and appeal rights.

   Authorize fee refunds if construction costs come in below the initial estimates on which the fee was based.

   Provide the Agency of Natural Resources and the Department of Public Safety similar authority to provide a developer utilizing the Act 250 master plan permit process with a fee rebate.

2. Permit Amendment Process: Update NRB Rule 21 [5] (Master Plan and Partial Review) to state that if the District Commission has issued affirmative findings on all criteria in a master plan permit, and a subsequent phase remains within the impact budget and the time period specified by the master plan permit for build-out, then the default procedure is that the permit amendment for construction approval will be processed as an administrative amendment.

3. Master Plan Permit Benefit for Existing Industrial Parks: Modify NRB Rule 21 [6] (Master Plan and Partial Review) to state that an applicant may seek a master plan decision regarding future phases of a phased development even if some portion of the development has already been built, provided that the existing development complies with Act 250.

4. Funding for Pre-development Costs: Provide $250,000 to the Vermont Economic Development Authority to enable VEDA to provide developers of rural industrial parks with predevelopment loans through VEDA's industrial park loan program (10 V.S.A. §231 [7]). Developers would receive loans with deferred principal payments for pre-development costs associated with the Act 250 master plan permit process. Loans would be repaid when a portion of the park is sold by the developer.

   Expand eligibility to include RDCs and private developers.

5. Commitment to Broad Economic Challenges: Sustain and expand efforts to meet the broad economic challenges identified as constraints to industrial development

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5 https://nrb.vermont.gov/sites/nrb/files/documents/2015%20Adopted%20Rules.pdf
6 https://nrb.vermont.gov/sites/nrb/files/documents/2015%20Adopted%20Rules.pdf
7 https://legislature.vermont.gov/statutes/fullchapter/10/012

in Vermont, including: workforce availability, affordable housing access, social problems, childcare access, and affordable capital.

BACKGROUND

To understand the economic trends, challenges, and opportunities affecting industrial development throughout Vermont, the working group:

1) Evaluated the regions' future land use plans;
2) Mapped important industrial development-serving infrastructure;
3) Surveyed Vermont's Regional Planning Commissions and Development Corporations on regional needs and priorities; and
4) Evaluated three rural industrial parks as development case studies.

Included below are key findings addressing: the employment value of industrial economic development, obstacles constraining industrial growth, the ways industrial parks develop in rural Vermont, incentives that make a difference, and what can be done to plan for future industrial growth.

Industrial Development & Livable Jobs

Vermont's planning and economic development leaders value the social and economic benefits of diverse industrial uses in their communities: from artisanal makers to nationally known manufacturers. The state's RPCs and RDCs are actively planning for industry. When surveyed on strategic priorities, the regions emphasized goals to grow full-time, year-round jobs that pay a livable wage (APPENDIX 8: REGIONAL OUTREACH SURVEY RESULTS). These priorities reflect a statewide awareness that industrial jobs provide a better standard of living than many retail and service jobs, as documented by the State's Comprehensive Economic Development Strategy [8] and 2017 Vermont Department of Labor Statistics:

Manufacturing offers jobs with higher wages and salaries than many other sectors in the Vermont economy. In 2017, the average annual manufacturing wage in Vermont was $58,004 compared to $46,186 for all sectors.

Obstacles to Industrial Development

The survey also showed that Vermont's regions remain acutely concerned about workforce, housing, childcare, infrastructure, capital, and social challenges as obstacles to development, and identified that an adequate supply of industrial space is necessary for industrial employment growth. They noted that Vermont misses industrial opportunities because the supply of turn-key buildings served by water, wastewater, and other infrastructure is lacking.

To address this challenge, the regions reported that any legislative response should address permitting consistency, predictability, fees, and review time. The regions also emphasized the importance of focusing investments in and around existing centers and industrial parks, where supporting infrastructure and available capacity are more likely to be available. This feedback affirms the Act 59 (2013) recommendation to focus enhanced incentives for industrial uses in state-designated growth centers instead of creating a new

[8] https://accd.vermont.gov/sites/accdnew/files/documents/DED/CEDS/CEDS2020FullReport.pdf

designation program (APPENDIX 4, 7/11/18, ATTACHMENT 1: ACT 59 REPORT SECTION ON INDUSTRIAL PARKS).

Vermont misses industrial opportunities because of an inadequate supply of turn-key industrial buildings served by water, wastewater, and other infrastructure.

Understanding How Industrial Parks Develop in Vermont

While the term "industrial development" can conjure images of large factories with polluting smoke stacks and substantial impacts, Vermont's industrial reality and its regional economic development priorities are typically very different.

When studying the build-out of three rural industrial subdivisions (also known as "industrial parks"), the working group learned that lot build-out, business turnover, and building expansion occurs incrementally over decades (APPENDIX 6: INDUSTRIAL PARK CASE STUDIES: PERMIT & FEE HISTORY). The sample parks in Franklin, Caledonia, and Rutland Counties were platted in the 1970s or 80s and have lots that remain available today. These parks are important to the regional economy and reflect real development opportunities -- as well as shared priorities -- to grow small, medium, start-up, entrepreneurial, and locally owned production, processing, warehousing, distribution, and repair industries. The regional survey further showed that diverse light and heavy industrial clusters are important sectors for Vermont's future, including: farm and food products, artisanal mini-makers, renewable energy technologies, and forest products. These sectors directly support Vermont's heritage of independent and small-scale makers doing impressive value-added work that grows Vermont's "green" economy in a rural, working landscape.

Farm and food products, artisanal mini-makers, renewable energy technologies, and forest products directly support Vermont's heritage of independent and small-scale makers growing Vermont's "green" economy in a rural, working landscape. Obtaining construction approval and absorbing permit costs can be unfamiliar and difficult for small and medium firms if Act 250 criteria findings have not been previously addressed by an industrial park's master plan permit.

While there is consensus around strategic priorities and opportunities, work remains to move Vermont's untapped potential into business-ready buildings. For instance, when the working group reviewed the survey and case studies, they learned that obtaining construction approval and absorbing permit costs can be unfamiliar and difficult for start-ups and small-to-medium firms if Act 250 criteria findings have not been previously addressed by an industrial park's master plan permit.

While the structure of Act 250's master plan permit process grants the developer flexibility to obtain findings at any level, it can mean that lot construction requires extensive review if criteria findings have not been obtained by the park developer up front. These challenges further exacerbate the difficulty that many Vermont businesses face obtaining financing. In

Vermont's marketplace, where construction costs can exceed real estate value or rents, developers must often find creative ways to close the financing gap before they can open shop.

Effective Development Incentives

When asked which incentives best overcome industrial development obstacles, the regions named the following as the most valuable: brownfield assistance, special assessment districts, state infrastructure bonding support, permit fee reductions, targeted state investments, permitting efficiency, tax credits, pre-clearance for permitting, funding for municipal infrastructure, and revolving loan funds.

With these opportunities in mind, the working group focused on the legislative charge, addressing barriers to rural industrial growth stemming from land-use planning and permitting, the impact of development fees (on both permit seekers and the agencies), and other economic development incentives.

A case study of three industrial parks in Franklin, Rutland and Caledonia Counties showed that the development of these parks, including 33 different businesses, required more than 170 Act 250 permits, including amendments. Individual Act 250 and Division of Fire Safety permit fees ranged in cost from zero dollars to $185,000, averaging $2,850.

Due to information technology constraints within the short timeframe, the Agency of Natural Resources was unable to provide a full list of permits and fees issued to these 33 businesses across programs over the past 30 years, but one case study of three discrete projects in the St. Albans Industrial Park demonstrated that ANR and Public Safety fees totaled $425,213, 90% of which funded three Fire Safety permits (Meeting Notes of 8/29, ATTACHMENT 1: State Permit Application Fees). The remaining balance paid for 10 ANR permits with an average fee of $3,881.

To mitigate these development obstacles, the working group identified enhancements to the existing Act 250 master plan permit process that would reduce permitting complexity and cost. The existing master plan permit allows an applicant to obtain as many or as few findings as possible for large and complex projects (like industrial subdivisions), but it does not provide compelling incentives to do so.

The working group found that the master plan permit process could more effectively pre-clear Act 250 permit criteria earlier in the process by encouraging best-practice planning, design, and review in a way that unlocks the potential of construction-ready lots and business-ready buildings.

As an example, current law establishes a reduced Act 250 fee for the review of a master plan permit application [9]. The existing law also provides the authority for the Chair of the

[9] https://legislature.vermont.gov/statutes/section/10/151/06083a

District Commission to reduce permitting fees for projects that were previously reviewed in a master plan permit application. However, no working group participant could recall this fee relief ever being used, and the relief was unknown to multiple working group participants. The working group recommends encouraging the use of this master plan permit process by clearly articulating how a developer can qualify for the fee reduction from the NRB.

The working group also recommends providing both the Agency of Natural Resources and the Department of Public Safety with a similar authority to reduce fees when a rural industrial park developer uses the master permit process to facilitate much needed rural economic development. Such authority could mirror existing fee rebate authority within existing state designated centers, such as sprinkler system rebates per 24 V.S.A. §2794(10). Given the long lead-time required to develop an industrial park and the relatively few developers utilizing the master plan permit process, the working group does not believe these fee reductions would have a significant impact on agency budgets.

In addition to fee reductions, the working group recommends encouraging the use of the master plan permit process to its fullest extent by providing greater opportunities for Act 250 permit amendments to master plan permits to be processed as administrative amendments. This would reduce the permit burden and cost – and give developers and businesses more confidence in economic growth in a master permitted park.

Finally, the working group recognized developers must make a greater investment to fully permit an industrial park through the master plan permit process than is required to only permit the road or subdivide the property. To encourage the development of shovel-ready rural industrial parks, the working group recommends enhancing an existing loan program at the Vermont Economic Development Authority (VEDA) currently only available to Regional Development Corporations (10 V.S.A. §231 [10]).

The proposed refinements to the loan program would provide RDC's and private developers access to a deferred loan to pay for rural industrial park master plan pre-development costs (such as design, engineering, legal, and permitting expenses) until the speculative development is sold to a business. This loan could supplement companion financing offered by VEDA for land acquisition and construction. The working group recommends that VEDA be advanced up to $250,000 to enable 4 to 5 additional loans under this program in the coming 2 to 4 years. This funding will be used to enable VEDA to pay interest to its lenders on the deferred loans to the developers.

By moving more planning, design, and review earlier in the process of industrial subdivision and lot development --- and reducing the financial risk to do so -- the construction build-out of industrial parks can be made much smoother.

Planning for Rural Industry

The recommendations in this report will support development of existing and new parks. As Vermont's existing industrial parks fill, proactive community leaders will prepare for the

[10] https://legislature.vermont.gov/statutes/section/10/012/00231

future by planning for new industrial parks and expanded industrial opportunities in smart locations for all scales of industry and impact: from garage start-ups to major manufacturers.

Vermont's regions identified regional centers, brownfields, and state designated areas as priority locations for industrial growth. Community leaders increasingly recognize that industry is a successful part of Vermont's community centers. Local planners should evaluate if their local planning and zoning limits compatible industrial development within and around centers or unnecessarily preferences industrial uses in isolated, auto-dependent areas unserved by municipal infrastructure. While some high-impact industrial uses require separation from incompatible uses or rely on functionally dependent transportation infrastructure, many modern processes, controls, buildings, and equipment can minimize sounds, odors, and vibrations -- making industrial uses and industrial parks a good neighbor.

New industrial parks within or adjacent to a community center have the potential to offer a higher return on investment than remote greenfield development far from employees, commercial partners, and public services. For example, Middlebury's Exchange Street and Winooski's Tigan Street industrial parks are located within walking distance of homes, schools, downtown shopping, public services, and transit -- amenities that workers value. In Waterbury, Keurig Green Mountain's industrial campus is an integral part of a walkable community with nearby rail and highway access.

While traditional mixed-use development has been a key source of new jobs and community vitality, some municipalities continue to separate industrial uses – and the quality jobs industry supports – from Vermont's centers. Although this report does not address industrial development outside parks, communities are encouraged to consider other opportunities to allow industrial development within existing mixed-use areas. In fact, many of Vermont's regional centers developed around water-powered industry. By encouraging a greater mix of compatible industrial uses within and adjacent to centers, Vermont can expand economic development opportunities closer to infrastructure, service clusters, and where people live. Eden Ice Cidery is an example of an industrial business that was able to locate manufacturing, retail, service, and office uses in a single downtown building using Newport city's flexible form-based code.

The State's [Downtown, New Town Center, and Growth Center](https://accd.vermont.gov/community-development/designation-programs) designation programs [11] continue to offer incentives for commercial and industrial development in communities actively planning and regulating for development in Vermont's smart growth centers, including industrial parks. Communities that undertake this planning work can build community consensus and reduce the risks and unexpected expenses associated with development in unplanned locations.

The social, economic, and environmental benefits of wise industrial siting decisions can deliver long-term public and private savings and competitive advantages to employers and communities. To identify optimal infrastructure-served locations, community planning and economic development leaders can refer to the Vermont Center for Geographic Information's [industrial development asset map](https://vcgi.maps.arcgis.com/apps/Minimalist/index.html?appid=2b5b26b223e84650b4bdff88ae295558) [12] (built to inform the working group's process) in conjunction with the regions' future land use map (APPENDIX 7: FUTURE LAND

[11] https://accd.vermont.gov/community-development/designation-programs
[12] https://vcgi.maps.arcgis.com/apps/Minimalist/index.html?appid=2b5b26b223e84650b4bdff88ae295558

USE MAPS BY REGION). The right use in the right location can make all the difference for businesses, employees, and the community.

APPENDIX 1: ACT 194 §22 LEGISLATIVE CHARGE

Act 194[13] of the 2018 session of the General Assembly included the following section:

> Sec. 22. AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT;
>
> INDUSTRIAL PARK DESIGNATION
>
> (a) On or before December 15, 2018, the Secretary of Commerce and Community Development, after consultation with the Secretary of Natural Resources, the Chair of the Natural Resources Board, Regional Development Corporations, Regional Planning Commissions, the Vermont Natural Resources Council, and the Commission on Act 250, shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and to the House Committees on Commerce and Economic Development, on Agriculture and Forestry, and on Natural Resources, Fish, and Wildlife recommendations for establishing an economic development program under which defined parcels in rural areas of the State are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited within the industrial park. The report shall include:
>
> > (1) recommended criteria for establishing an industrial park in a rural area;
> >
> > (2) eligibility criteria, if any, for a business to site within a designated industrial park in a rural area;
> >
> > (3) recommended incentives for businesses sited within a designated industrial park in a rural area, including permitting incentives, permit fee reductions, reduced electric rates, net metering incentives, and other regulatory
> > incentives;
> >
> > (4) recommended technical or financial assistance that a business would be eligible to receive for locating within a designated industrial park in a rural area; and
> >
> > (5) draft legislation necessary to implement any recommendation.
>
> (b) The recommendations in the report shall be designed in a manner so that any recommended process or criteria maintains consistency with the land use goals of Vermont in 24 VS.A. §4302 and the relevant regional plan adopted under 24 V.S.A. §4348.
>
> (c) As used in this section, "rural area" means a county of the State designated as "rural" or "mostly rural" by the U.S. Census Bureau in its most recent decennial census.

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[13] https://legislature.vermont.gov/assets/Documents/2018/Docs/ACTS/ACT194/ACT194%20As%20Enacted.pdf

APPENDIX 2: PARTICIPANTS

Dale Azaria, General Counsel, Department of Housing & Community Development

Jo Bradley, Chief Executive Officer, Vermont Economic Development Authority

Ted Brady, Deputy Secretary, Agency of Commerce & Community Development

Dave Carter, Chief Financial Officer, Vermont Economic Development Authority

Chris Cochran, Director of Community Planning & Revitalization, Department of Housing & Community Development

Billy Coster, Director of Planning, Agency of Natural Resources

Hannah Dean, Legal Intern, Natural Resources Board

Michael Desrochers, Executive Director, Division of Fire Safety

Mike Ferrari, Legal Intern, Natural Resources Board

Joan Goldstein, Commissioner, Department of Economic Development

Jacob Hemmerick, Planning & Policy Manager, Department of Housing & Community Development

Brett Long, Deputy Commissioner, Department of Economic Development

Kate McCarthy, Sustainable Communities Program Director, Vermont Natural Resources Council

Evan Meenan, Associate General Counsel, Natural Resources Board

Cassie Polhemus, Chief Operating Officer, Vermont Economic Development Authority

Brian Shupe, Executive Director, Vermont Natural Resources Council

Elaine Sopchak, ThinkVermont Project Manager / Special Program Director, Agency of Commerce & Community Development

Tim Smith, Executive Director, Franklin County Industrial Corporation

Dave Snedeker, Executive Director, Northern Vermont Development Association

Brian Storey, Town Administrator, Town of Johnson

Tim Tierney, Economic Development Director, Agency of Commerce & Community Development

APPENDIX 3: TIMELINE

Enactment of Act 194	May 30, 2018
Working Group Meeting 1	July 11, 2018
Working Group Meeting 2	August 29, 2018
Working Group Meeting 3	September 27, 2018
Joint VAPDA & RDC Meeting	October 4, 2018
Working Group Meeting 4	October 25, 2018
Working Group Meeting 5	November 29, 2018
Deadline to Submit Report	December 15, 2018

APPENDIX 4: MEETING NOTES

Vermont Agency of Commerce & Community Development
Act 194 Workgroup on Rural Economic Development Designations (Industrial Parks)

Meeting Notes

Wednesday, July 11, 2018 | 3:00 PM

1 National Life Drive, Davis Bldg. | Montpelier, VT 05620-0501 Grace Coolidge Conference Room, 6th Floor

Present: Ted Brady, Agency of Commerce
Chris Cochran, Dept. of Housing & Community Development
Billy Coster, Agency of Natural Resources
Hannah Dean, Natural Resources Board
Joan Goldstein, Dept. of Economic Development
Jacob Hemmerick, Dept. of Housing & Community Development
Kate McCarthy, Vermont Natural Resources Council
Evan Meenan, Natural Resources Board
Dave Snedeker, Northern Vermont Development Association (by phone)
Elaine Sopchak, Agency of Commerce
Tim Tierney, Agency of Commerce

Absent: Tim Smith, Franklin County Industrial Corp.
Brian Story, Town of Johnson

Ted Brady welcomed participants and reminded everyone to actively share information on this project with their stakeholder constituents and bring feedback to the group. Chris Cochran added that the Agency will send out draft notes from each meeting of the workgroup to allow workgroup members a few days to provide edits prior to sending out final notes for broader distribution to stakeholders.

1. Overview of legislative charge and vision

Ted provided a brief overview of section 22 of Act 194, emphasizing the need to provide rural communities with financial and technical assistance, and potentially regulatory assistance, to support rural commercial and industrial development best practices. Communities are struggling to attract manufacturers, and manufacturers are struggling to operate in rural areas. Several expanding businesses in rural areas faced unexpected permitting requirements and significant fees.

2. Summary of ACCD's past efforts and issues noted

Chris Cochran shared a brief history of the 2013-14 Act 59 report in which there were similar concerns that industrial parks do not have a designation program and there is a lack of incentives to support their planning, permitting, and build out (see page 31 of report). To get a better handle on the needs at that time, the RDCs did a high-level survey of available park acreage, buildings, and infrastructure. The review found supply constraints in Chittenden County, but available inventory in other parts of the state. Two stakeholder meetings were held, and meeting notes are available.

Stakeholders explained that the term “industrial parks” is an outdated name that does not reflect the market in Vermont where light manufacturing, supply houses, and office uses are more typical. It was noted that these types of uses could occur in historic centers like a downtown, or a designated growth center, a recommendation made in the Act 59 report.

Commercial developers in Chittenden County noted that building on speculation does not work anymore, and that while financial incentives are not needed, accelerated permitting would help.

State and local permitting for water and wastewater connections was flagged as a place to look for permit efficiency and fee savings. However, stakeholders noted that the state relies on fees to pay for operations and that other sources of funding should be identified if fees are reduced. Recent changes also allow state delegation of water and wastewater permit authority to municipalities, although few have done so. Last year, ANR and VLCT provided municipalities training to encourage more of them to take on this responsibility. The outcome of that effort is unknown.

The other concept was to identify and protect important natural and archeological resources up front as was done in Vermont’s six growth centers. The concern with this approach was that high-level resource reviews did not always help when it came time to review site-level impacts of a proposed development. While VEDA offers Regional Development Corporations loans for site-level planning and permitting, it is not viewed as an ideal tool to solve this problem due to the risks in speculative development.

The major outcome of this Act 59 report was a change granting industrial parks special provision for the mitigation of primary ag soils and change that makes it so that additions or infill in existing industrial parks need not cluster the development (§ 6093(a)(4)) . Other changes were made to Act 250’s definition of industrial parks as well as updates to Rule 21 which allows for master permits.

3. Synopsis of Act 250’s master permitting process for industrial parks

Evan Meenan said the NRB developed a master permit guidance document in 2001 that walks developers through Rule 21. Rule 21 may be used for any project including industrial parks. It allows the initial review of a proposed project to facilitate future permits. It may be used in two different ways:

- Master plans for larger projects: This process may include partial findings of fact and conclusions of law for a phased development. It may also include a permit for the initial construction phase. Subsequent phases of development then file for an amendment.
- Partial findings: The process allows proposed development to address several or individual criteria up front. This approach can improve predictability by identifying and addressing potential barriers up front.

Calculation of off-site mitigation fees for prime ag soils is slightly different for industrial parks, depending on location.

Act 250 District Coordinators report that no one has sought master plan approval for an industrial park in the last 10-15 years. They speculate the reasons for this is that there is ample supply of buildings and land within existing Act 250 permitted parks and developers are working to fill available space before developing new industrial parks. In these cases, permit amendments are required for expansion or new development.

The Coordinators asked how a new rural industrial park designation would align with Act 59's recommendations to update Act 250 Criteria 9L that aims to encourage infill development within existing centers (under 9L, if a project is not located within an "existing settlement," it must make efficient use of land, energy, roads, utilities and other supporting infrastructure, and must not contribute to a pattern of strip development). The group questioned how industrial parks can be designed to meet Criteria 9L and whether there are important aspects of industrial parks that 9L doesn't adequately consider.

The group inquired if the NRB can query its database for industrial park permit activity. Evan stated this is not possible because industrial parks are not treated separately by Act 250, until the 2014 changes to prime ag soils, but noted that some districts receive 1-3 applications annually for amendments to existing parks, which can be minor or major modifications to an existing permit. Significant changes to an existing permit generally require the full 250 process. The scope of review depends on the size of the change, and whether these changes are identified in the master plan. A minor amendment doesn't require a public hearing unless requested. How much work is done in the master plan process could determine if future amendments would be needed, but most businesses don't put that much work in up front because it's expensive and can duplicate costs to adapt to market conditions over time.

A participant commented that that a buyer's expectations about the permitting process or how much permitting has been done may be more of a communication issue than a permitting issue.

Evan stated that a developer can go through the 250 process and not get a permit. You may get findings of fact that could apply to future permits and amendments, and there is value to the process even if it doesn't result in a permit.

It was asked whether the basis for the fee structure for minor or administrative amendments is square footage. The response was that the application includes a fee calculation table and amendment applications involve the same amount of work. The fees are likely no different from a major amendment.

It was asked whether there is a significant cost for just findings. The answer was that the cost varies but is less for findings on certain criteria, such as Criterion 10 (Local and Regional Plans) than it would be for others like Transportation. As noted before, the applicant may ask for partial findings on certain criteria to save on initial investment.

Evan pointed out that while there is not an incentive to do all the work up front, developers do not need to be scared of the 250 process. They can pick a place where the 250 process has already happened and permitting there will likely be easier.

A participant observed that the initial cost of going through the process is not just the permits, it's also the engineering and other consultant costs. They suggested investigating financial assistance for that part of the process. It was also noted that the more a developer plans and engineers up front, the more they are locked into a specific design that can be costly to re-engineer. This makes it more expensive for a developer to adapt to market shifts.

A participant noted that it could be useful to research older cases that can identify issues for industrial parks that lead to litigation, for instance traffic caps could be a problem because the first 2-3 businesses in a park could use up the capacity.

It was said that it would be useful to know how long the 250 process is taking. Evan stated that delays are not always due to Act 250—multiple delays on the developer's side can be an issue too and the NRB is working to better track dead time in the review process to get an accurate picture of the administrative timeline versus outside issues that cause delays.

A participant asked if ANR has similar master planning program. Billy responded that each program is separate and there is no umbrella review; however, his group can scope out a project to help coordinate review. Developers will often delay the more expensive permitting processes until things are more definite. It was suggested that the State incentivize grouping certain permitting processes together and doing the work up front. It would be important to do this for permits for activities that do not change during the review process. Evan stated that ANR permit entitlements to presumptions of meeting certain 250 criteria can make the process easier.

A participant noted that it's not only construction that affects criteria; the use of buildings over time may change the impacts on various criteria. It was said that use-specific parks should be a consideration; they would allow for groups of special entitlements because all the businesses in the specified area would be the same type.

It was stated that we need to stop using the "industrial park" label and that we need to define what enterprise clusters we want to incentivize.

4. Discussion of proposed industrial park census and other data needs

Jacob Hemmerick reported that he had reviewed the 2013 inventory of parks, which contains only the 63 RDC-owned parks and is not comprehensive. His department has also collected rough data of industrial properties available, and could research areas planned, zoned, or permitted for industrial uses. ACCD would need help from the RDCs and RPCs to identify lots that are zoned for industrial use, with various criteria including whether they are within a designation. May not be able to get that granular but could use the help. It would also be helpful to know whether a property has 250 jurisdictions.

Dave Snedeker stated it is easy enough to get this info, but zoning info for the towns will take a lot of work to track down. It was noted that the recent RPC statewide zoning upload is a starting point. A participant noted that if it turns out many parks allow office space (for example), that may be an opportunity to incentivize change. Ted clarified we are looking at rural parks adjacent to village centers that have infrastructure and meet certain criteria. It was said that the group should know what the needs and desires are of different businesses.

It was stated that businesses aren't asking to be in an industrial park—they want a building specific to their needs regardless of where it is. We should encourage the right type of growth and economic development by considering the size, use, and needs of businesses. For example, an overlay with Opportunity Zones and/or new market tax credit areas--many of which include downtown areas—are places where we already want development. It was suggested that we overlay water infrastructure, transportation, and broadband. It was also noted that every region and town have a CEDS that could give indications of what's needed in each area.

A participant suggested considering expedited review for state permits, so costs can be estimated, because bureaucracy is a problem. Another issue is changes in wetlands classifications, which make some parcels undevelopable, especially in older parks.

Chris stated that DHCD will work to gather the necessary data by the next meeting, and Ted said the Agency will ask RDCs to provide data on potential industrial properties in their areas including those they don't own. We will also look for parcels adjacent to centers.

5. Next Steps & Future Meetings

The group agreed to future meetings from 3:00 to 4:30 PM on 8/29, 9/27, 10/25, and 11/29 Prior to the next meeting, members should send ACCD potential agenda items:

- Data needs & finds
- Define uses and locations to support
- Define incentives

Members should share these notes with their constituencies once final.

ATTACHMENT 1: ACT 59 REPORT SECTION ON INDUSTRIAL PARKS

Issues Raised

» Lack of available speculative industrial space (20,000-100,000 sq.ft.) in the state, especially acute in Chittenden County.

» Few municipalities zone exclusively for industrial uses, zoning instead for combined industrial commercial-business districts.

» Industrial uses lack incentives in state designation programs.

» Industrial uses have no dedicated designation program.

Top Stakeholder Recommendations

» Provide tools and outreach to municipalities to link comprehensive plan elements (land use, economic development, infrastructure, etc.) with implementation tools to support industrial and commercial development.

» Encourage and support comprehensive local and regional planning that integrates industrial and commercial uses into growth centers.

» Enhance incentives for industrial uses in designated growth centers instead of creating a new designation program.

» Consider developing a land bank program for future industrial uses.

Potential Benefits

» Increased land available for industrial uses – both 'traditional' definition and the new trend of 'value added' businesses that bring new dollars and jobs to a region.

» Increased incentives for industrial uses in current designated areas without creating a new program that would require administrative support, oversight, training and funding.

» Raises awareness of the role industrial uses play in economic development.

Overview

Traditionally, it was considered inappropriate to locate industrial parks in and around residential, business and retail centers due to impacts such as noise, emissions, truck traffic, extended hours of operation or expansive space requirements. Heavy industry, manufacturing, and warehousing are examples of typical industrial park uses. In past years, requests have been made to the Legislature to provide special incentives such as funding and regulatory relief for these areas and develop a separate designation program for industrial parks.

In an attempt to understand the pressures and needs related to current and future industrial uses, DHCD asked the Regional Development Corporations (RDCs) to compile the following information on industrial parks:

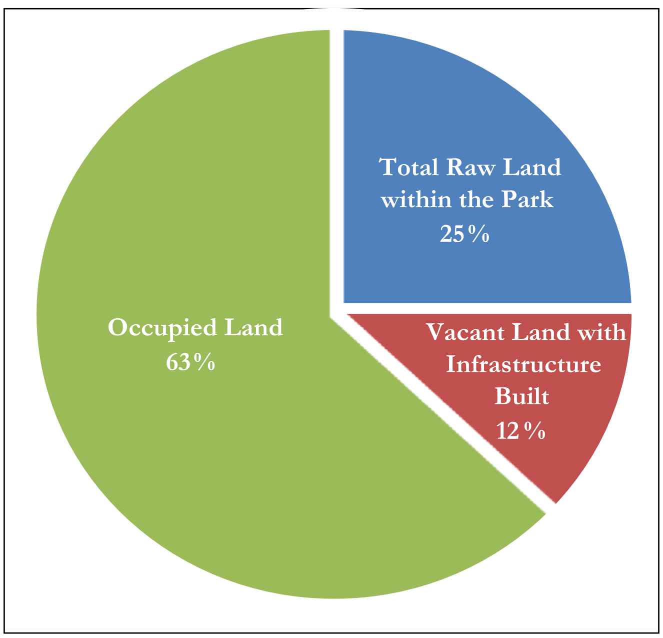
» Square footage in existing industrial parks and their average vacancy rates along with the type of uses in the occupied space.

» Square footage of permitted, but not yet built space in industrial parks.

» Acreage and location of land for future industrial parks.

The RDCs reported that they "did not have the resources to undertake a comprehensive inventory of available industrial sites, buildings or other land around the state." Rather, they focused on known industrial parks and buildings owned by the RDCs. Analysis of the data they provided indicated that of the 4,229 acres of industrial parks, 63% is occupied, 12% is vacant land with infrastructure and the remaining 25% is raw land. Within these parks, the RDCs have over 1.2 million square feet; 63% of which is occupied with the remaining 37% available. This evaluation is based on a 'snap shot' in time and the information, especially vacancy rates will fluctuate. It should also be noted that the raw land was not evaluated for development suitability (i.e. 35 acres might be "raw land" but only 10 acres is suitable for development due to steep slopes, wetlands, etc.).

Figure 1. Land in Industrial and Business Parks
(4,229 acres)



To round out the picture of the land available for industrial needs, staff reviewed Chittenden County's ECOS (Environment.Community.Opportunity. Sustainability) project, met with commercial developers and the Greater Burlington Industrial Corporation staff and convened an Industrial Park Working Group that included members from local and regional planning, economic development and environmental organizations.

Highlighted issues noted in these meetings included:

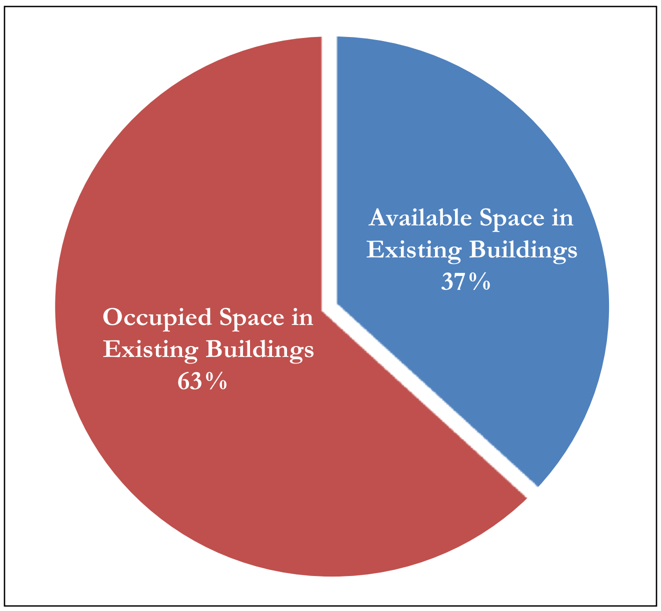
» Lack of industrial space is an issue, most acutely in Chittenden County. There is a desire to have speculative buildings of 20,000-100,000 square feet available for lease so that when a potential business is interested in locating in the area, time from inquiry to lease is minimal.

» Municipalities rarely zone areas exclusively for industrial uses, favoring zoning that includes industrial, commercial and business. For example, in Chittenden County, Milton is the only community that has zoned areas exclusively for industrial uses.

» Developers do not need financial incentives, but rather streamlined or eased permitting.

One of the state's largest developers of industrial space reported a change in the real estate market. He has found that the "build on spec and they will come" approach no longer works. He also noted that tenant trends are changing from heavy industry to IT companies and plumbing and electrical wholesale companies. Because there is no reason to isolate those uses, they can be permitted in residential areas as conditional uses. These trends to a more commercial, commercial/business environment with businesses that provide capital importation (value-added businesses that bring new dollars into the region) was confirmed by several Regional Development Corporation leaders.

Figure 2. Buildings Owned by RDCs (1,266,134
Square Feet)



The top recommendations yielded by the stakeholder process follows.

Provide tools and outreach to municipalities to link comprehensive plan elements (land use, economic development and infrastructure) with implementation tools to support industrial and commercial development.

As mentioned in the *Planning Capacity* section of this report, there are over 8,000 volunteers working on economic and community development in towns across the state with limited resources. Outreach and tools around maximizing density, infrastructure needs (sewer, water, three-phased power, etc.) permitted vs. conditional use and clarity about site requirements are important when developing municipal plans and bylaws that relate to industrial uses within a community. Goals and priorities for industrial uses within a municipality can be noted in the economic development element of a Municipal plan and linked to other elements such as land use, housing, transportation and infrastructure. Stakeholders noted that these are also areas in which municipalities might need technical assistance. Partnerships with the Vermont League of Cities and Towns, the Regional Planning Commissions, Regional Development Corporations and DHCD would be important to developing and implementing such an educational program with existing resources.

Encourage and support comprehensive local and regional planning that integrates industrial and commercial uses into growth centers. Act 59 updates to the Downtown and Village Center designation programs specifically mentions industrial uses within the definition. Any statutory updates made to the Growth Center designation and New Town Center program should include similar clarifications, if needed. Also, communities developing future applications for growth center designation should include industrial and commercial uses. Including these key economic and job creators in growth centers helps link jobs with housing, transportation and infrastructure – maximizing benefits and utilizing existing infrastructure efficiently.

Enhance incentives for industrial uses in designated growth centers instead of creating a new designation program.

Incentives suggested during the Industrial Working Group Session included:

» Act 250 modifications such as accepting a higher level of congestion for development in designated areas; reducing/eliminate agricultural mitigation costs.

» Increasing the speed of permitting in designated areas.

» Decreasing permitting costs.

» Directing infrastructure spending to designated areas to support industrial uses.

Each of these incentives could help increase the speed and lower the cost of development of industrial uses within a designated area and support the state's land use goals. However, they could also result in reduced funding for agencies that depend on revenue from permitting and agricultural mitigation fees.

Consider developing a land bank program for future industrial uses.

The concept of land banking is multi-tiered. First, there is an assumption that land should be set aside for future industrial and commercial development and the municipality supports this in local plans and bylaws by ensuring that it is in a location with appropriate infrastructure. This permits the land to be 'banked' for future use. It is really a place-holder so that a locality can take the time to carefully consider what might be needed in the future for its economic vitality. This land can then be developed by a municipality, a local or regional development corporation or private developer. Municipalities rarely zone an area only for industrial uses. It can take a long time to develop and provide income, and land owners typically request zoning that allow business, office and/or commercial uses.

Currently the Vermont Economic Development Authority (VEDA) has a local development corporation loan program that loans funds to local and regional development corporations to purchase land for industrial parks; for planning and development of industrial parks; for construction or improvement of speculative buildings and for small business incubator facilities.

Also, the Agency of Transportation (AOT) has $600,000 to support businesses that wish to utilize rail service and locate along all active railroad lines in Vermont. The program requires an equal match from three partners, the state, the railroad and the business owner. Both these programs could be used for a land bank program.

Vermont Agency of Commerce & Community Development
Act 194 Workgroup on Rural Economic Development Designations (Industrial Parks)

Meeting Notes

Wednesday, August 29, 2018 | 3:00 PM

1 National Life Drive, Davis Bldg. | Montpelier, VT 05620-0501
Grace Coolidge Conference Room, 6th Floor

Present: Dale Azaria, Dept. of Housing & Community Development
Ted Brady, Agency of Commerce (via Skype)
Chris Cochran, Dept. of Housing & Community Development
Billy Coster, Agency of Natural Resources
Peter Gregory, Two Rivers-Ottaquechee Regional Commission (public guest)
Jacob Hemmerick, Dept. of Housing & Community Development
Brett Long, Dept. of Economic Development
Evan Meenan, Natural Resources Board
Mike Ferrari, Natural Resources Board
Brian Shupe, Vermont Natural Resources Council
Tim Smith, Franklin County Industrial Development Corp.
Dave Snedeker, Northeastern Vermont Development Association
Brian Story, Town of Johnson
Elaine Sopchak, Agency of Commerce

Absent: None

1. Introductions

Deputy Secretary Ted Brady started off the meeting by asking the group to help us find opportunities to encourage successful development in areas where it isn't happening in rural Vermont.

2. Industrial Park Census (Overview of Future Land Use Maps) &
3. Maps of Existing Infrastructure/Assets/Opportunity Zones

- Jacob Hemmerick reviewed basic findings.
- Identifying industrial eligible lands, subdivisions, lots, buildings, and units is challenging. Analysis of town zoning (industrial land) is difficult because the districts are not consistently identified and bylaw language enabling industrial uses varies widely from town to town. Zoning information also doesn't detail owners, developers, or addresses needed to locate industrial sites in the Natural Resource Board's (NRB/Act 250) database.
- Without this information, the NRB cannot easily identify existing industrial parks because they have not tracked them as such. The NRB remains interested in an inventory of existing space and availability. Tim Smith of the Franklin County Industrial Development Corp (FCIDC) noted there is only one vacant building in all of Franklin County.
- Act 194 directs the group to make recommendations and develop criteria consistent with state land use goals and regional approaches to industrial development

- Review of regional land use maps and plan elements provides a rich source of information on economic trends and needs, local economic development goals and decisions, and shared policy priorities.
- Analysis of the plans shows that all regions are planning for industrial development in settled areas and/or special use industrial areas.
- The group expressed interest in identifying the existing industrial parks that meet state planning goals, smart growth criteria, and existing development assets. It was noted that the Regional Development Corporations (RDCs) generally have a good sense of buildings with 5,000 s.f. or more. It was noted that the Act 194 survey is designed to identity criteria. Therefore, it may make more sense to identify existing locations once the criteria are established. In the meantime, ACCD would add a question to the survey for the RDCs to identify inventory.
- Dept. of Economic Development (DED) inquired if incremental infrastructure expansion to serve nascent industrial clusters (that aren't formally zoned as such) will be considered (the Beanville Road area of Randolph, for example). The group determined addressing this type of development trend is not a primary focus of Act 194.
- While Vermont Center for Geographic Information (VCGI) does not have the regional future land use maps available online yet (this task is part of the Regional Planning Commission's workplan for this year), they were able to create an online map viewer to help identify high amenity sites with few development constraints. The maps include existing economic development incentives areas, such as opportunity zones that can be used to leverage resources for best practice industrial park development and build-out.
- A member noted that rural industrial parks cannot compete with amenity rich areas (near rail lines, interstate exits, natural gas lines). The group felt a two-pronged, or a "ladder-up" approach is needed to grow rural businesses with fewer amenity needs into larger business with higher infrastructure needs.
- There was general support for a needs-based approach.

4. Rural Business Sector/Uses &
5. Rural Economic Development Incentives

- The group reviewed ACCD's initial list of uses and sectors that are a good fit for rural areas. Suggested sector additions included maker spaces/incubators, forest processing, and educational training.
- Suggested incentives to add to the list include special or discounted utility rates (Department of Public Service study on this is due in December 2018), fee reduction for amendments to master permits, consideration of quality of life impacts to evaluate permit conditions that could better support rural economic development if they were more flexibie (such as the expanding the hours of logging operations while the ground is frozen), and additional clarification on tax stabilization for existing buildings.
- Tim Smith recommended that the group go through a mock permitting scenario at the next meeting and circulated State permit costs for additions to existing sites within an approved industrial park, one of which topped $350k (fee document attached to the notes). The NRB noted that they have a process for requesting reduced fees. Members of the group recognized the need to investigate proportionality between the fees paid and the actual cost of the review of a project. The group discussed agency reliance on fees to support operations and the broader social benefits to these reviews that extend beyond the developer's

benefit; permit fee schedules could reflect that with increased support from the state General Fund.

- Northeastern Vermont Development Association (NVDA) flagged an issue that their parks with Act 250 permits compete with sub-jurisdictional greenfield development. This creates and uneven playing field which makes it harder steer growth to areas planned for industrial development where infrastructure investments (water, sewer, roads, and electric) have been made.
- Deputy Secretary Brady reminded the working group that our goal is not eliminate the environmental protections provided by permits but advance, to the extent possible, planning that aligns with needs and pre-permitting processes (ex. Division for Historic Preservation could evaluate archeological sensitivity up front, and pre-clear industrial sites for development).
- Some group members did not believe it was reasonable to require a permit amendment if development impacts are within approved capacity or threshold boundaries.
- Whether it's an existing park or a new park, people working to grow Vermont's economy and create jobs need and deserve more regulatory certainty than they have now.
- The Town of Johnson would value being a pilot for this type of program.

6. Draft Regional Planning Commission/Regional Development Corporation Outreach Survey

- The group discussed and provided feedback on the survey.
  - The NRB requested that the survey define industrial up-front or ask how the region defines industrial; DHCD acknowledged that there's a common platform, but some variability by region that should be acknowledged.
  - There was concern that the Supply/Demand section did not get at the demand or adequately identify the locations of existing industrial parks, their availability, and the extent to which they line up with needs. Vermont Natural Resources Council (VNRC) noted that some of the prompts under Q3 are too subjective, such as "sites well planned, located and zoned."
  - Q4: Under business development resources, DED raised access to adequate capital based on appraisal levels as a key constraint in Vermont and noted that adding financing to fill this gap should be an incentive.
  - Q4: Under costs, a member suggested that the list include soft costs, such as consulting services or construction materials; design and engineering costs associated with completing the permit application; legal fees for appeals; public transportation for workforce.
  - The group discussed that some of macro issues (ex. available housing, adequate workforce) could be addressed by an existing program, while others have a more direct connection to what the proposed designation could influence.
  - Q6: A member requested that the slider be used in this question too, to get richer data, versus limiting a response to the top items. Other incentives mentioned include: revolving loan gap financing to address appraisal issue to help spec. buildings; pre-clearance for permits and Act 250 criteria; tax stabilization for vacant buildings [actively being marketed]; improved access to pre-development permitting consultations with agencies; and options to limit brownfield redevelopment liability.

- Q8: A RPC noted that it could be difficult to not check each box here, and DHCD offered that a top three prioritization could work best to get a defined regional priorities and economic development targets. The group appreciated the release valves in the questions by maintaining “other” options and “additional comments”.
- Q11: DHCD noted that this is being re-worked.
- Overall support to incorporate the feedback into the survey and distribute to have results by next meeting.

7. Other Data Needs None were identified.

8. Next Steps
    - Working group members were asked to review and return edits to draft notes by early next week; share final notes with stakeholders; gather and aggregate their feedback for the group to consider.
    - Deputy Secretary Brady will convene a meeting with sister agencies to discuss reduced fees and ways to improve the master permitting process.
    - ACCD will share preliminary survey data at the next meeting -- 9/27, 3-4:30, Montpelier.
    - Additional review and discussion of the survey findings is planned for the upcoming joint RPC/RDC meeting, 10/6, Randolph Center.

ATTACHMENT 1: State Permit Application Fees

Provided by Tim Smith of Franklin County Industrial Corporation

PERMIT	BEN & JERRY'S	vr PRECISION TOOLS	PEERLESS CLOTHNG
Stormwater Discharge	10,628	6457	680
Act 250	158,900	36,141	62,974
DFS	185 000	16,400	185,000 (Projected)
Water/Wastewater		870	870
Public Water	900		
VT Wetlands	N/A	17,868*	N/A
Construction General	220	100	220
TOTAL FEES	$355,918	$77,836	$249, 44
TOTAL PERMIT APPLICATION FEES PAID TO THE STATE OF VERMONT			$683,498

*Additional In-Lieu Fee of $24,169 due to ACOE

Vermont Agency of Commerce & Community Development
Act 194 Workgroup on Rural Economic Development Designations (Industrial Parks)

Meeting Notes

Wednesday, September 27, 2018 | 3:00 PM

1 National Life Drive, Davis Bldg. | Montpelier, VT 05620-0501
Grace Coolidge Conference Room, 6th Floor

Present: Dale Azaria, Dept. of Housing & Community
Development Ted Brady, Agency of Commerce
Chris Cochran, Dept. of Housing & Community Development
Billy Coster, Agency of Natural Resources
Jacob Hemmerick, Dept. of Housing & Community Development
Brett Long, Dept. of Economic Development
Kate McCarthy, Vermont Natural Resources Council
Evan Meenan, Natural Resources
Board Tim Smith, Franklin County
Industrial Corp.
Dave Snedeker, Northeastern Vermont Development Association
Elaine Sopchak, Agency of Commerce
Brian Story, Town of Johnson

1. Introductions

2. Regional Outreach (RPC/RDC) Survey Results & Discussion

- Jacob reviewed the results of the survey distributed to RPCs and RDCs.
- There was a 90% response rate.
- Many regions do not differentiate between industrial and commercial in their planning, but there was broad agreement that “industrial” means production, processing, distribution and warehousing.
- The regions identified many development-ready sites, but results showed that there isn’t a consistent statewide method to inventory industrial development supply. Evan asked for clarification on the difference between land available and industrial subdivisions lots. Jacob acknowledged that the development categories were not consistently understood and clarified that “land” was intended to assess the *area* that could accommodate industrial subdivision (whether zoned or not), while industrial subdivision “lots” aimed to measure the *quantity* of development-ready parcels available for industrial development within a region. Brett highlighted that DED’s site locator is intended to provide an inventory of land and buildings posted by commercial real estate brokers but has low participation. Chris mentioned that DED is working with VCGI to create an inventory of all structures in the state that will be sortable by occupied and unoccupied spaces, with the potential to match businesses to unoccupied opportunities. Kate inquired why there have been obstacles to completing a statewide inventory. In general, RDCs rely on the private sector to report availability, in addition to the tracking RDCs do using methodology responsive to local needs.

- Survey responses emphasized the need for turn-key buildings and shovel-ready sites. Brett reminded the group about the challenging funding gap between the cost to develop and the appraised value.
- Key constraints were shown in order based on a weighted score. Permitting, fees, and wastewater issues were in the top ten. Many top issues are broader quality of life and economic issues.
- Priority solutions that respondents felt a designation program could implement focused on regulatory factors. Participants noted that permitting predictability means time and expense— not solely with Act 250 -- but also with many other permits, such as wastewater permitting. The survey did not determine the factors delaying a permit, or if the appeal process was a factor.
- Other incentives cited included gap financing, expanding TIF districts, and debt capacity. Use by-right zoning (instead of conditional uses), collaboration with owners on remediation at extraction areas, investing in infrastructure, CDBG, VEGI, BRELLA, and tax credits were all mentioned as helpful incentives.
- In terms of target industrial clusters, overall and rural-specific clusters had significant overlaps. Respondents identified farm and food products, light manufacturing, forest products, artisanal mini-makers and renewable energy clusters as the best fit for an industrial designation.
- The core land use values included in the survey had broad-based support. The highest statewide value is that allowed uses should align with existing or planned infrastructure.
- In terms of location, the regions emphasized regional centers and brownfields over new greenfield development.
- The regions shared local trends prompting them to consider strategic shifts, such as the decline of dairy and aging demographics.
- The group discussed timing and its impact on the permit process. Lack of consistency of deadlines from agency to agency was noted, alongside the value of tracking dead time between the applicant and permitting entity. There may be a need to set clocks on applicants, too.
- Participants noted that the state can delegate permit review to municipalities, but they don't often assume authority due to lack of capacity or expertise.

3. Permit Fee Findings & Discussion

Ted reported that he had connected with the Natural Resources Board and Fire Safety and will reach out to ANR next. The challenge lay in the fact that while fees are flagged as a barrier to development, they also pay for the administration of permit programs.

The Division for Fire Safety typically receives a large fee approximately once a year. This fee revenue covers free pre-application services like on-site consultations and preliminary plan reviews. The Division has not received a large fee this year and they are operating with a $500,000 deficit. When there is a fee surplus, Fire Safety's Special Fund is used to support the General Fund. Therefore, targeted fee reduction that quantifies and limits the burden on the permitting entity over time will be important.

The group discussed existing opportunities to ease permitting costs. Chris noted existing fee rebates and waivers for qualified projects in areas the state has designated for development. Another was Act 250's master plan permit process that currently enables a lower fee, upon request, for qualified master plan reviews (10VSA6083(f)).

Ted stated that a next step would be to take 3-4 representative parks that have been built out and analyze all fees collected over a specific timeframe. A potential permit fee reduction proposal could encourage a developer to go through a 250 master permit process to get a fee reduction for final construction permitting. This could demonstrate that the impact of the reductions would be spread over several years and would not be more than a single-digit percent reduction in permitting entities' annual budgets.

Evan stated that he can identify whether any of the parks chosen for this analysis went through the master plan process. Not many people are attempting to get fee reductions through Act 250, and those who are may see mixed results by region. Evan stated that permit fee waiver decisions are made by commission chairs and inquired what the fee waiver process should be, and whether there might be different permit maximums for different industries. Strengthening the criteria for reductions could deliver more consistency statewide. Members of the group noted that the possibility of fee reductions is not well known or communicated. Members emphasized that fee reductions are separate from partial findings, and Kate has observed that the fees for partial findings can be too low to cover the cost of review. She suggested the overall framework of this concept should be "fees commensurate with the work performed".

The group discussed examples of reducing burden on the permitting entity. For instance, if a developer pays the master permit fee, then the construction phase might not require a public hearing. In the case of Fire Safety, up-front assistance is given to the applicant so the application review itself is simple and straightforward. While more up-front review and support may not be a 1:1 time-savings, it should save some time on the final, official review. Ted suggested that the group shouldn't anticipate being able to make a direct connection between cost reduction and work reduction. Some fees do not correspond to the actual time it takes to complete a process. By clarifying the focus, this group's fee reduction recommendations should not have a significant financial impact.

Ted asked for assistance identifying successfully developed parks to analyze. Dave suggested the St Johnsbury/Lyndonville park, and Tim agreed to pull numbers for St. Albans. Evan would need the town, and names and addresses of businesses in the park to pull their permits.

Tim shared the example of a park with an Act 250 umbrella permit to expand that had to get a minor permit every time they added infrastructure, even though the park was approved with an umbrella permit. He asked why the park must keep going back for minor permits (amendments). Evan pointed out that this may be situation where the developer should be asking for a permit fee reduction if the substantial review has already been done. A member noted that there is also a separate provision in Act 250 for permit fee refunds (10VSA6083(e)). Billy explained that an umbrella permit can cover findings of any granularity. The process grants the applicant flexibility to decide how much they want to be reviewed up front. In most early applications, the approval is initially basic and broad, and then -- when adding the construction details -- the project must go through the amendment process.

The group noted a need to provide more clarity: if a lighter process is desired later in the process, a developer should get a certain level of findings earlier in the process. Evan stated that a pre-application process exists to answer some of these questions. Kate suggested that the term "master permit" may be confusing since the language sounds very conclusive, when it really isn't. Simply renaming parts of the process to parallel other common terms such as “conceptual”, “preliminary”, and “final” could help expectations meet reality for subdivision and individual site development.

4. Act 250 Master Permitting Process Findings & Discussion

Ted said that a new designation may be unnecessary if it can be addressed through the permitting process. It could be a process that gets a park to a true “ready-to-build” stage. It could reward the developer for going through that process, and for taking the risk of developing plans to 95% completion by providing a marketable lot and fee reductions.

A good recommendation could be to create a special financing mechanism to finance the engineering, design, and master permit phase of the process. It could function like the revolving grant/loan fund for wastewater that DEC has. A certain percent could be a deferred loan of up to 10 years: no payment until the first lot is built. Tim described a company looking for a 16,000 s.f. facility. Pre-development costs average $40K, which the startup cannot afford at this stage. FCIC is using reserve funds to pay for this stage and is looking for grant funds to offset it. A financing vehicle like this would solve this problem.

Evan reminded the group that the survey showed moving into existing parks is preferred. Getting existing lots together to achieve criteria to make future permit processes easier could be a consideration. There was discussion about what to do for master-permitted lots if local zoning changes occur that would affect that permit approval.

Brett asked how to advise a business ahead of time to preserve rights or intentions for future development. Members emphasized due diligence and Billy noted that wetland resources are the most prone to change based on adjacent development and water dynamics. Dale noted that while the NRB process has been the focus of this conversation, a lot of other permits drive the uncertainty and delay. Tim noted that it’s usually the stormwater permitting that holds up the Act 250 process. Ted reminded the group his vision is that all the other permits would have to line up with the new Act 250 process, so the underlying permits also must be addressed.

Evan stated that people like to work on the permits concurrently and may not want to make their Act 250 permit dependent on securing these other permits.

Ted summarized that this process needs to ensure it benefits existing and partially built out parks. It needs to roll up other required permits together. In other words, permits that feed into Act 250 must be presumptive and identify the development capacity of the site (trip ends, acres of impervious surface, gallons of water or waste water). Dale suggested that the permits all have the same lifespan. Consistency of length of permits and similar renewal dates would make things easier. Group renewal of all permits would be helpful. Kate noted that if done right, group permit renewal could have benefits to public access to the process as well. Permit specialists should have some sort of tutorial to help guide developers through the process.

Ted reiterated that the change the group is pushing for is that if a developer goes through the complete master permit process, there is a reduction in the need for minor amendments. Kate stated that it may not be realistic to get a developer to 100%; for instance, if a proposed change also changes the functional use of the site, that change may still be significant. Ted suggested that getting to a specific plan rather than a specific build could be desirable for the customer. Tim reminded the group that town covenants will help predetermine requirements.

5. Next Steps

- Dave, Ted, and Tim will identify three industrial parks with the goal of quantify the scale of fee revenue. They will follow up Evan who will gather date on the actual permitting costs in industrial parks over time.
- Billy will explore if water and wastewater permit jurisdiction can be partially delegated to municipalities (town review connections to municipal treatment, but the state reviews septic system designs, or for specific areas)
- DHCD and NRB staff will develop language to clarify existing fee reduction opportunities for master planned industrial parks.
- Ted will check-in VEDA to estimate costs to stand up a new or modify an existing revolving loan program to offset pre-development cost for master planned parks.
- Ted will check-in with a few commercial developers to ensure the proposal addresses the need.
- The group will reconvene **October 25, 3:00-4:30 PM** and share their findings.

Attachment 1: Act 250 Volume and Review Time

Provided by Evan Meenan, Associate General Counsel, Natural Resources Board

NATURAL RESOURCES BOARD
10 Baldwin Street
Montpelier, Vermont 05633-3201
Tel. 802-828-3309
http://nrb.vermont.gov/

District by District Processing in 60 Days or Less

Percent of Act 250 permits issued in ≤ 60 days							
District No.	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
District 1	78%	69%	90%	74%	67%	81%	85%
District 2	86%	74%	74%	66%	74%	66%	65%
District 3	68%	89%	76%	70%	74%	83%	81%
District 4	68%	73%	69%	62%	65%	68%	66%
District 5	84%	67%	77%	55%	62%	82%	94%
District 6	67%	49%	68%	57%	57%	67%	70%
District 7	69%	61%	60%	63%	73%	89%	78%
District 8	88%	86%	81%	71%	77%	85%	87%
District 9	69%	61%	73%	60%	46%	64%	96%
Averages:	**75%**	**70%**	**74%**	**64%**	**66%**	**76%**	**80%**

Total Permits Issued per District

Number of Act 250 permits issued per year per district							
District No.	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
District 1	27	36	21	23	18	32	26
District 2	76	70	69	56	61	56	55
District 3	47	37	41	43	42	40	42
District 4	127	119	129	124	137	117	131
District 5	94	89	64	65	58	116	139
District 6	36	37	25	30	23	24	27
District 7	54	46	67	56	55	37	45
District 8	33	21	27	17	22	20	23
District 9	16	18	11	15	13	14	24
Total permits:	**510**	**473**	**454**	**429**	**429**	**456**	**512**

Please note: There are multiple factors that contribute to the processing time necessary to issue a permit, and some delays are beyond the control of Act 250. It is important to see the above numbers in the context that all projects are different, and each District has a unique caseload determined by the types of projects. Applications that were withdrawn, and the issuance of findings alone, were not included in the above calculations.

Vermont Agency of Commerce & Community Development
Act 194 Workgroup on Rural Economic Development Designations (Industrial Parks)

Meeting Notes

Thursday, October 25, 2018 | 3:00 PM

1 National Life Drive, Davis Bldg. | Montpelier, VT 05620-0501
Grace Coolidge Conference Room, 6th Floor

Present:

Ted Brady, Agency of Commerce
Dave Snedeker, Northeastern Vermont Development Association (RPC Rep.)
Kate McCarthy, Vermont Natural Resources Council
Evan Meenan, Natural Resources Board
Billy Coster, Agency of Natural Resources
Tim Tierney, Agency of Commerce
Jacob Hemmerick, Dept. of Housing & Community Development
Chris Cochran, Dept. of Housing & Community Development
Dale Azaria, Dept. of Housing & Community Development
Brett Long, Dept. of Economic Development
Brian Story, Town of Johnson (Municipal)
Tim Smith, Franklin County Industrial Development Corporation (RDC Rep) – arrived at 3:05

1. Introductions & Welcome

Ted welcomed everyone to the meeting. Brian Story joined by phone.

2. Industrial Park Research Findings

Ted explained the process for selecting three rural industrial parks to research and recognized Evan and Mike DesRochers' labor-intensive data collection from the Natural Resources Board and Division of Fire Safety records. Billy noted that ANR is working on their submission, which is complicated as it involves data collection across many departments.

Industrial parks in St. Albans, Rutland, and St. Johnsbury were selected as samples to better understand the cost of permitting the build out of rural industrial parks over time. The goal of this work was to both identify the types permits required and the fees paid by customers. This data would help the group quantify and consider how any loss in fee revenue could impact agency operations.

The group reviewed the data and summarized some takeaways:

- The three parks are more than 30 years old, and the St. J. and St. Albans parks are known to have lots available;
- Fees are collected over a long period of time and the averaged fees are low;
- The parks see considerable turnover and development activity over time; and
- On average, these parks had fewer than two Act 250 permits or permit amendments per year; and
- The NRB did not find any records in its online databases indicating anyone requested a fee reduction from the District Commission (which can be approved by the District Chair and is unappealable). This may reflect that this opportunity is not well known or publicized.

The group agreed that some additional research could be helpful, noting that the St. Albans fees appeared to be higher than the other parks and that it could be useful to understand the median NRB fee, given the number of high and low outliers. One member thought it would be useful to see this cost annualized to be able to identify any variation over time. Another noted that the numbers have not been adjusted for inflation.

Some stated that a targeted reduction in fees would be a minor impact to the agencies over time, while others questioned if minor fee relief would change any outcomes, given the survey identified housing and workforce challenges as larger economic development barriers than permit fees. Billy inquired if ACCD could create a grant or dedicated fund to offset any fee reductions.

Thinking big picture, the group discussed the merits of using general funds to offset the larger social benefit of regulatory reviews, the nexus between fees and subject review content, fees and costs to review a project, decision timelines, and alternative fee structures. It was noted that a significant cost of the permit is the technical preparation (e.g. architectural/engineering) work required to apply for the permit.

To address this, Ted explained that he is working with VEDA to consider a revolving loan fund for eligible industrial parks to receive a deferred loan that wouldn't be paid back until the time of construction, lessening risk of predevelopment investment and driving as much review up-front so that subsequent buildout can be done efficiently with administrative amendments and lower costs.

Ted noted that economic development and permitting is complicated and there is not a silver bullet, but there are many small things we can do to make it better. An example is ACCD's and the NRB's collaboration to improve the master permit process.

3. <u>Draft Proposal</u>

Dale distributed a quick summary of the proposal that would modify Act 250 statute and NRB Rule 21 to (Master Plans and Partial Review) reduce the permit fee as part of a master planning process and clarify the existing process. Act 250 already enables a reduced fee option for master plan permits ($0.10 per $1,000 of estimated project cost at the master permit stage instead of $3.12 to $6.65 per $1,000) but the statute would benefit from clarifications. Recommended changes are to clarify that $0.10 per $1,000 needs to be paid up front and would encourage the use of the master permit process and to provide opportunities to request a reduced fee if the master plan meets certain criteria that guide best practices, such as encouraging a pre-application meeting.

The incentive is the opportunity to obtain a construction approval via an administrative amendment, provided that all criteria have been satisfied and remain within an expiration date set by the permit. Evan noted that this would not only benefit industrial parks, but any development using the master permit process - including existing parks partially built-out. He added that it maintains flexibility for the developer to seek as many or few findings as they like, with the incentive to address more items earlier in the process.

The reduced fee decision would continue to be made at the District Commission level, but the process would be updated to require it to be issued in writing, be justified based on the specified fee reduction considerations, and would be appealable. Tim and Brian suggested that there be a time limit to make the fee waiver determination.

Ted reminded the group that Act 194 asked them to identity opportunities to reduce other fees and it was noted that 24 VSA 76A § 2794 (10) enables the Division of Fire Safety to offer a discretionary fee rebate for projects located within downtowns. Ted inquired if ANR had similar mechanisms to waive or rebate fees.

Brett expressed concern that a discretionary fee reduction process is less predictable. He also asked why the cost of furniture, fixtures, and equipment (FF&E) was included in the fee calculation, given the construction of the building, infrastructure, and roads is the focus of the permit review. While a valid question, Ted noted that including FF&E in the fee calculation is standard practice and changing that is a larger conversation, outside the scope of Act 194's charge.

Ted summarized that these proposed changes to encourage master permits would reduce pre-development costs by making it easier and less expensive at the buildout stage.

4. Next Steps

- Billy will collect ANR permit fee data.
- Dale will distribute draft proposal to members.
- Members will share their feedback on the proposal with Dale, Chris, or Jacob.
- ACCD will draft the legislative report for review at the next meeting (November 29, 3-4:30 PM), including a section that notes complementary economic and community development actions.

ATTACHMENTS

1. See APPENDIX 6: INDUSTRIAL PARK CASE STUDIES: PERMIT & FEE HISTORY

Vermont Agency of Commerce & Community Development
Act 194 Workgroup on Rural Economic Development Designations (Industrial Parks)

Meeting Notes

Thursday, November 29 | 3:00 PM

1 National Life Drive, Davis Bldg. | Montpelier, VT 05620-0501
Grace Coolidge Conference Room, 6th Floor

Present:

Ted Brady, Agency of Commerce
Dave Snedeker, Northeastern Vermont Development Association (RPC Rep.)
Kate McCarthy, Vermont Natural Resources Council
Evan Meenan, Natural Resources Board
Billy Coster, Agency of Natural Resources
Jacob Hemmerick, Dept. of Housing & Community Development
Dale Azaria, Dept. of Housing & Community Development
Brett Long, Dept. of Economic Development
Brian Story, Town of Johnson (Municipal)
Tim Smith, Franklin County Industrial Development Corporation (RDC Rep)
Jo Bradley, Vermont Economic Development Authority (VEDA)
Cassie Polhemus, VEDA
David Carter, VEDA

1. Introductions & Welcome

Ted welcomed everyone to the meeting. Tim Smith, David Carter, Cassie Polhemus, and Jo Bradley joined by phone.

2. Discussion of VEDA Financing incentives Eligibility

Ted introduced and summarized the VEDA proposal included in the report, asking VEDA stakeholders for feedback. VEDA is supportive of a program within 10 VSA Ch. 12 to fund soft predevelopment "planning" costs but would need a structure that doesn't lose money. They saw an opportunity in three loan purposes: land acquisition, planning, and construction. They noted that subchapter 3 has been used quite a bit to support industrial parks and speculative buildings, and has fewer constraints than subchapter 5, but they can no longer defer interest – as they once did -- since VEDA is now its own lender. They also noted that use of the program has slowed in the past five years. VEDA is open to expanding the program to private developers beyond the Regional Development Corporations (RDC), and Ted asked that Tim and Dave touch base with the RDCs to makes sure the proposed changes have support.

VEDA had several questions about the potential terms of the loans, noting that the borrower would have to pay the interest, and then the principal when the lot is sold. Members of the working group thought that payback between three and five years would probably be workable for a short-term planning loan, once the permit has been issued. A member asked if buildings are ever leased instead of sold? While developers could lease instead of sell, the ideal for an RDC is to sell. Ownership and other terms are factors VEDA would need to consider further.

Cassie noted that a soft cost planning loan is complicated from an underwriting perspective, as VEDA cannot offer unsecured loans. Some form of collateral will be needed to secure the loan. Jo suggested a buy-down of the interest using state funds to create a loan loss reserve fund to mitigate risks. Dave added that subsidizing a construction loan for 2 years can be economical, but the next three years can get expensive. Jo asked how much demand is out there for a product like this to be able to forecast a budget. Ted agreed to investigate this.

Kate inquired if location-based criteria would be used in the loan program to promote industrial parks in and around existing settlements and avoid supporting sprawl. VEDA stated that the project's location is not currently considered and voiced hesitation about limiting eligibility based on this factor. VEDA believed this new requirement could make the program less attractive and dampen demand. Dave emphasized the need to make sure the program works for existing industrial parks where investments have already been made. Brett asked about eligibility for areas that may not be considered industrial parks under Act 250. Evan noted that industrial parks are defined under Act 250, and the product under discussion would be for industrial parks undergoing Act 250 review. Another member said the State has limited resources and it should direct funding to locations where success is most likely, such as areas planned for industry served by municipal infrastructure. Kate stated that VNRC would oppose funding provisions that would allow for new parks that perpetuate sprawl. Ted said that the Agency will consider all these perspectives as we work to fine tune and finalize the proposal.

3. <u>Review of Initial Draft of Working Group Report</u>

Ted introduced the report and reported that he had received comments from Peter Gregory, Curt Carter, Seth Jenson, and Kate McCarthy. Evan suggested including this feedback as an appendix to the report. The group agreed.

Jacob provided an overview of the report's structure and the working group offered comments and edits during a section-by-section review.

Kate reiterated concerns submitted in her prior written comments (included in the report) about applying the master plan permit benefits to projects that are not industrial parks, such as ski resorts – where permitting is more complex and more likely to impact natural resources. Others noted that a master plan permit for a ski resort would be difficult to use, since ski resorts' development plans change so frequently.

The group agreed to emphasize and recommend that the General Assembly support an expanded commitment to meet the broad economic challenges identified as constraints to industrial development in Vermont.

Evan and Dale noted the need to separate and clarify some of the specifics of the permit fee and permit amendment process recommendations (flagged for follow-up in the draft).

Billy flagged an unresolved sentence suggesting that ANR develop similar fee waiver processes. He requested that Ted reach out to ANR's leadership to discuss this further.

Evan suggested linking these recommendations to the 2013 legislative report on land use (Act 59) and the section on industrial parks. He pointed out that turnover within a park is a factor affecting permit volumes apart from buildout, which is something to make clear in the industrial park case study numbers. He also noted that he submitted his edits in writing for consideration by the Agency.

Ted said he would work to refine the VEDA financing recommendation and he would reach out to ANR on permit fee waivers. He and the team would consider and make the requested edits and send the final draft out to the group from review before the report is sent to the General Assembly. The group expressed its thanks to the team and remarked on the quality of the draft report. Ted thanked the group for their work and help developing common-sense solutions responsive to the legislative charge.

APPENDIX 5: MEMO TO LEGISLATIVE COMMISSION ON ACT 250

Agency of Commerce and Community Development
National Life Building – Davis Building, 6th Floor [phone] 802-828-3211
One National Life Drive [fax] 802-828-3383
Montpelier, VT 05620-0501 **accd.vermont.gov**

November 7, 2018

Hon. Amy Sheldon, Chair
Commission on Act 250
Vermont State House
115 State Street
Montpelier, VT 05633-5301

Dear Chairperson Sheldon:

Thank you for this opportunity to provide the Commission an overview of the Agency of Commerce and Community Development's (ACCD) working group recommendations to improve the permitting process for rural industrial parks as required by Act 194, Section 22.

Act 194 tasks several working groups to develop recommendations to reverse the trend of rural disinvestment that is disruptive to the health and resilience of people, businesses, and communities. In addition to recommendations that support outdoor recreation and farm and forest viability, the Act recognizes that industrial development is a critical factor in the strength of rural economies. The Act tasked ACCD with developing recommendations to designate parcels in rural areas[14] as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited in the industrial park.

As directed, ACCD convened a working group of stakeholders in June that includes representatives from the Department of Economic Development, Department of Housing and Community Development, the Vermont Natural Resources Council, the Natural Resources Board, the Agency of Natural Resources, the Regional Planning Commissions (RPCs), the Regional Development Corporations (RDCs), municipalities, and the Division of Fire Safety.

The group met five times to explore the challenges to industrial development and develop recommendations that to increase rural economic development opportunities. After consulting with the RPC and RDC Executive Directors by survey, we learned that the regions miss opportunities for industrial employment because of a lack of "turn-key" industrial buildings served by water, wastewater, and other infrastructure.

To address this challenge, the working group identified the following package of changes to promote well-sited, well-served, and robustly reviewed industrial space subject to Act

[14] Rural areas are defined by the law to include all Vermont counties except Chittenden.

250 review. The group recommends amendments to Act 250 statute and rules that would clarify fee reduction policy and incent front-loading loading master plan review, making subsequent buildout eligible for administrative review at a reduced rate. The proposal would make all master permit developments (not only industrial subdivisions) eligible for this benefit, a feature that makes this best practice available to all development, including housing (which is an integral component of our economic development strategy).

Specific recommendations include:

- Amending the Act 250 fee statute so that the fee for review of a master plan is only $.10 per $1000 of total estimated construction costs and the full charge of $3.12 to $7.40 per $1000 is only assessed when the applicant seeks construction approval.

- Updating NRB Rule 21 (Master Plan and Partial Review) to state that if the District Commission has issued affirmative findings on all criteria in a master plan permit, and a subsequent phase remains within the impact budget and the time period specified by the master plan permit for build-out, then a permit amendment for construction approval will be processed as an administrative amendment.

- Modifying NRB Rule 21 (Master Plan and Partial Review) to state that an applicant may seek a master plan decision regarding future phases of a phased development even if some portion of the development has already been built, provided that the existing development complies with Act 250.

- Increasing funding to an existing Vermont Economic Development Authority revolving loan program to enable developers of qualified parks deferred loans to subsidize permit costs – to be paid back at time of construction if approved and built.

The working group will hold its final meeting on November 29, 2018. Their final report is due to General Assembly on December 15, 2018.

Sincerely,

Ted Brady, Deputy Secretary
Agency of Commerce and Community Development

APPENDIX 6: INDUSTRIAL PARK CASE STUDIES: PERMIT & FEE HISTORY

ACT 194 Sample Industrial Park Fees and Permit History, Natural Resources Board

St. Johnsbury – Lyndon Industrial Park. Total permits/amendments = 50. Total fees = $53,276.43. Average fee = $1,065.53.

Permit No.	Last Action Date	Applicant	Description	Fee[15]	Docs Online	Reduction Sought[16]
7C0432	8/2/79	NE Vt. Dev.	Phase I on 2 phase project.	$1,018	N	N/A
7C0432-A	9/2/81	NE Vt. Dev.	Revise landscape requirements.	$0	N	N/A
7C0432-1	11/13/79	NE Vt. Dev.	Extend construction of road.	$0	N	N/A
7C0432-2	7/9/80	NE Vt. Dev.	Renovate Aircraft Hanger.	$0	N	N/A
7C0432-3	7/7/80	NE Vt. Dev.	Construct 1100' Rd.	$0	N	N/A
7C0432-4	9/1/81	NE Vt. Dev.	Construct 10,000' s.f. building.	$250	N	N/A
7C0432-4A	9/20/81	Bi-Tech Industries	Construct 9,600 s.f. addition.	$291	N	N/A
7C0432-5	7/8/84	N. Comm. Mgt.	Construct building.	$0	N	N/A
7C0432-5A	8/2/91	Whitcraft North	Fill 44,800 s.f. area for parking.	$27.95	N	N/A
7C0432-6	11/21/85	NE Vt. Dev.	Construct building.	$60	N	N/A
7C0432-7	11/11/85	NE Vt. Dev.	Construct building.	$60	N	N/A
7C0432-8	11/29/88	NE Vt. Dev.	Construct 5,400 s.f. building.	$507.50	N	N/A
7C0432-8-1	7/17/98	Michael Mayo	Construct 2,270 s.f. addition and increase parking.	$637.50	N	N/A
7C0432-8-2	9/1/00	Michael Mayo	Construct 2,200 s.f. addition.	$595	N	N/A
7C0432-8-2-A	1/3/01	Michael Mayo	Incorporate WW permit.	?	N	N/A
7C0432-8-3	10/24/03	Michael Mayo	Construct 900 s.f. building.	$2,775.25	Y	N
7C0432-9	6/29/89	NE Vt. Dev.	Create 5.25-acre lot.	$25	N	N/A
7C0432-10	8/21/89	NE Vt. Dev.	Create a new lot.	$25	N	N/A
7C0432-11	5/8/90	Willmanch Corp.	Construct new building and parking.	$2,437.50	N	N/A
7C0432-12	11/8/93	Whitcraft North	Construct 19,200 s.f. addition.	$1,266	N	N/A
7C0432-12-1	6/22/01	VT Aerospace Manufacturing	Construct 12,800 addition and add parking.	$848.06	N	N/A
7C0432-12-1-A	10/12/05	NE Vt. Dev.	Administrative amendment.	$0	Y	N
7C0432-13	7/13/94	NSA Industries	Construct 98,000 building.	$3,315	N	N/A
7C0432-13A	8/29/93	NSA Industries	Move previously permitted building.	$0	N	N/A

[15] These fees were collected from the publicly available Act 250 database and the Natural Resources Board's own internal database. A "?" indicates that fee information is not available from either of these two sources, likely due to the age of the permit. Due to time constraints, the physical permit files located in the district offices were not reviewed.
[16] Information in this column is based on data contained in the publicly available Act 250 database and the Natural Resources Board's own internal database. The physical permit files located in the district offices were not reviewed to confirm whether a permit fee reduction was sought. A "N/A" appears when the permit documents are not available online. A "N" appears when the available online documents to not show that an applicant requested a fee reduction.

7C0432-13A-1	9/4/97	NSA Industries	Incorporate terms of SW permit.	$0	N	N/A
7C0432-13A-2	4/28/98	NSA Industries	Incorporate terms of WW permit.	$0	N	N/A
7C0432-13-1	4/16/99	NSA Industries	Construct 41,000 s.f. building with parking lot.	$3,043	N	N/A
7C0432-13-1-B	12/5/07	NSA Realty, LLC	Create new lot.	$50	Y	N
7C0432-13-2	5/3/02	NSA Industries	Construct 16,000 s.f. addition.	$1,487	Y	N
7C0432-14	11/18/96	Fred's Plumbing	Propane storage.	$100	N	N/A
7C0432-14-1	11/9/06	Fred's Plumbing	Construct 2,600 s.f. garage.	$1,187.50	Y	N
7C0432-14-A	6/25/97	NE Vt. Dev.	Add subdivision permit.	$0	N	N/A
7C0432-15	5/15/97	St. Johnsbury Dev. Fund	Construct 48,000 s.f. building.	$3,336	N	N/A
7C0432-16	5/7/97	Lyndon Woodworking	Construct 62,925 s.f. building.	$3,877.75	N	N/A
7C0432-16-B	1/28/16	BD Real Estate	Construct 10,000 s.f. addition.	$2,368	Y	N
7C0432-17	7/27/01	NE Vt. Dev.	Expand park by 13 lots.	$650	N	N/A
7C0432-17-1	11/28/12	NE Vt. Dev.	Clearing existing lots.	$216	Y	N
7C0432-17-1-A	3/12/18	NE Vt. Dev.	Clearing existing lots.	$62.50	Y	N
7C0432-18	4/4/03	NE Vt. Dev.	Construct 21,000 s.f. building.	$4,491.37	Y	N
7C0432-19	4/18/04	Forge, LLC	Construct 1,800 s.f. building.	$100	N	N/A
7C0432-19-A	7/8/09	Dead River Co.	Construct bulk fuel storage facility.	$1,900	Y	N
7C0432-20	2/4/05	Charles and Kathy Fenoff	Construct 9,600 s.f. building.	$2,118.75	Y	N
7C0432-21	2/11/05	Dennis Laferriere	Construct 8,000 s.f. building.	$2,351.25	Y	N
7C0432-22	11/18/05	Anthony and Nancy Neri	Construct 8,000 s.f. building.	$950	Y	N
7C0432-23	5/25/06	Little Dippers Doodle Daycare	Create a new lot and construct 7,100 s.f. building.	$3,434.50	Y	N
7C0432-24	8/3/06	Radiantec, Inc.	Construct 11,900 s.f. building.	$4,944.75	Y	N
7C0432-25	12/5/07	NSA Realty, LLC	Administrative amendment.	$50	Y	N
7C0432-26	6/23/10	NE Vt. Dev.	Administrative amendment.	$100	Y	N
7C0432-26-1	8/4/10	Little Fuel Co.	Construct bulk fuel storage facility.	$356.40	Y	N
7C0432-27	2/27/13	Scott Oeschger	Construct slaughter house and butcher store.	$1,962.90	Y	N

Rutland Airport Business Park. Total permits/amendments = 40. Total fees = $82,598.44. Average fees = $2,064.97.						
Permit No.	**Last Action Date**	**Applicant**	**Description**	**Fee**	**Doc Online**	**Reduction Sought**
1R0407	11/30/82	Rutland Economic Dev. Corp.	Industrial subdivision with water, sewer, and roads.	?	N	N/A
1R0407-1	12/23/83	Rutland Economic Dev. Corp.	Construct 3.3-mile sewer main.	?	N	N/A
1R0407-1-A	1/2/03	Rutland Economic Dev. Corp.	Swap sewer systems.	$50	N	N/A
1R0407-2	4/26/89	Rutland Economic Dev. Corp.	Construct 4,800 s.f. building.	$300.50	N	N/A
1R0407-2A	10/14/92	Rutland Economic Dev. Corp.	Construct 96,000 s.f. in new buildings.	$1,062.50	N	N/A
1R0407-3	9/26/89	Rick Kaminski	Construct 10,000 s.f. building.	$813.70	N	N/A
1R0407-3A	6/17/99	George Ritter / Knights Cabinet	Construct 12,000 s.f. building.	$1,742.50	N	N/A
1R0407-3B	10/20/04	Knight Industries	Construct 14,000 s.f. building.	$2,118.75	Y	N
1R0407-4	10/29/89	William Shouldice	Reconfigure lots.	$25	N	N/A
1R0407-5	3/14/91	Farrell Distributing Corp.	Construct 20,000 s.f. building.	$8,809.13	N	N/A
1R0407-6	10/15/90	Rutland Economic Dev. Corp.	Construct 8,000 s.f. building and parking lot.	$329	N	N/A
1R0407-7	6/8/92	Vermont County Green Mountain Mercantile, Inc.	Construct 72,371 s.f. building.	$17,008.75	N	N/A
1R0407-7-A	4/24/00	Vermont Country Store	Construct 62,525 s.f. building and 140 parking spaces.	$19,837.87	N	N/A
1R0407-8	6/29/93	Airport View Enterprises	Construct parking area.	$292	N	N/A
1R0407-9	6/12/94	The Belden Company, Inc.	Construct 17,500 s.f. building.	$1,317.50	N	N/A
1R0407-10	8/4/94	Ernest Smalley	Construct 20,000 s.f. building.	$763.13	N	N/A
1R0407-11	4/6/95	The Belden Co.	Construct 19,430 s.f. addition.	$1,334.96	N	N/A
1R0407-12	6/7/95	Rutland Economic Dev. Corp.	Create new lots.	$50	N	N/A
1R0407-13	4/17/96	Kalow Controls	Increase s.f. of already permitted addition and increase parking.	$272.85	N	N/A
1R0407-14	7/16/96	Rutland Economic Dev. Corp.	Construct 15,000 s.f. building and new parking lot.	$2,848	N	N/A
1R0407-14A	11/15/04	Ellison Surface Technologies	Construct 10,400 s.f. addition with new parking.	$2,889.65	Y	N

1R0407-15	9/4/96	Knappmiller & Knappmiller	Construct 9,800 s.f. in new buildings and install above ground storage tank.	$1,173	N	N/A
1R0407-16	9/9/97	Smalley & Rutland Economic Dev.	Extend construction deadline.	$25	N	N/A
1R0407-16A	11/8/01	Ernest & Roseanne Smalley	Extend construction deadline.	$25	N	N/A
1R0407-16B	8/18/02	Schwan's Sales	Construct 4,800 s.f. buildings.	$1,462	Y	N
1R0407-17	3/22/98	Rutland Economic Dev. Corp.	6 lot subdivision.	$555	N	N/A
1R0407-17A	3/31/03	Rutland Economic Dev. Corp.	Extend construction deadline.	$25	Y	N
1R0407-18	5/18/98	Kallow Technologies	Construct 9,550 s.f. in new buildings.	$1,211.25	N	N/A
1R0407-18A	8/12/01	Kallow Technologies	Construct 7,000 s.f. addition.	$892.50	N	N/A
1R0407-18B	10/14/03	Kallow Technologies	Construct 14,400 s.f. addition.	$1,970.94	Y	N
1R0407-19	4/12/98	Charles E. Tuttle Co.	Construct 3,000 s.f. addition.	$599.25	N	N/A
1R0407-20	6/8/98	Rutland Economic Dev. Corp.	Boundary line adjustment.	$25	N	N/A
1R0407-21	4/4/99	Beldon, Inc. / Charles E. Tuttle Co.	Construct 33,000 s.f. building.	$2,728.71	N	N/A
1R0407-22	5/30/00	Rutland Economic Dev. Corp.	Installing additional infrastructure to Phase II lots.	$2,380	N	N/A
1R0407-23	10/4/04	Rutland Economic Dev. Corp.	Boundary lot adjustment.	$50	Y	N
1R0407-24	3/16/05	The Belden Company	Construct 26,080 s.f. building.	$3,477	Y	N
1R0407-25	12/7/05	Rutland Economic Dev. Corp.	Redefine lots.	$50	Y	N
1R0407-25A	1/5/10	Rutland Economic Dev. Corp.	Additional subdivision and request for findings.	$200	Y	N
1R0407-26	4/29/08	B-A-R-T Industries	Construct 9.450 s.f. building.	$1,201.75	Y	N
1R0407-27	8/12/18	Airport View Enterprises	Lot merger.	$125	Y	N

St. Albans Town Industrial Park. Total permits/amendments = 84. Total fees = $453,392.03. Average fees = $5,397.53.[17]						
Permit No.	**Last Action Date**	**Applicant**	**Description**	**Fee**	**Docs Online**	**Reduction Sought**
6F0268	12/9/82	Target Area Development Corp.	Construct 22,750 s.f. building.	?	N	N/A
6F0268-REV	12/18/82	Target Area Development Corp.	Installation of exterior water & sewer & interior plumbing.	?	N	N/A
6F0268-1	7/8/84	Franklin County Industrial Development Corporation	Construct 53,580 s.f. addition.	$1,300	N	N/A
6F0268-1-REV	7/26/84	Target Area Development Corp.	Installation of interior plumbing.	?	N	N/A
6F0268-2	5/9/91	Franklin County Industrial Development Corporation	Construct 75,840 s.f. building.	$8,214.44	N	N/A
6F0268-A	3/6/83	Target Area Development Corp.	Approval of interior plumbing and ventilation.	?	N	N/A
6F0268-3	7/7/99	Barry Callebaut USA, Inc.	Construct 16,500 s.f. addition and new paved truck maneuvering area.	$1,742.50	N	N/A
6F0268-4	10/22/17	Barry Callebaut USA, LLC	Construct 30,230 s.f. in new buildings.	$24,914.69	Y	N
6F0268-4 (corrected)	11/2/17	Barry Callebaut USA, LLC	Require off-site mitigation fee.	0	N	N/A
6F0408	6/7/90	Town of St. Albans	8 lot subdivision.	?	N	N/A
6F0408-1	2/26/91	Town of St. Albans	Relocate roads and utilities and revise landscaping and wetland mitigation.	$25	N	N/A
6F0408-2	5/6/92	Town of St. Albans	Redesign roadways and utilities.	$25	N	N/A
6F0408-3	11/3/92	Ben & Jerry's	Construct 84,373 s.f. building.	$54,442.50	N	N/A
6F0408-4	12/15/94	Ben & Jerry's	Remove smokestack and change fuel type for refrigeration.	$25	N	N/A
6F0408-5	11/18/96	Ben & Jerry's	Construct 42 space parking lot.	$153	N	N/A
6F0408-6	7/30/02	Ben & Jerry's	Construct 111,000 s.f. building.	$42,927.04	Y	N
6F0408-6A	11/19/02	Ben & Jerry's	Reduce size of quality center, increase engine room size, modify access road and utilities.	$25	Y	N

[17] If the permits for which no permit fee information is available and permit 6F0408-9, which has a much higher fee than other permits, are both excluded, the average fee becomes $4,749.87.

6F0408-6B	4/19/12	Ben & Jerry's	Construct 1,700 s.f. mechanical room.	$1,417.50	Y	N
6F0408-7	3/17/10	Ben & Jerry's	Expand parking lot.	$50	Y	N
6F0408-8	8/23/12	Ben & Jerry's	Install trailer as company store for employees.	$108	Y	N
6F0408-9	11/13/16	Ben & Jerry's	Construct 30,560 s.f. addition, infrastructure improvements and pedestrian sidewalk.	$158,900[18]	Y	
6F0408-9 (Altered)	11/20/16	Ben & Jerry's	Add traffic impact fee.	$0	Y	N
6F0408-9A	12/12/17	Ben & Jerry's	Significant redesign of -9 permit.	$187.50	Y	N
6F0408-9B	8/28/18	Ben & Jerry's	Approve new signage.	$62.50	Y	N
6F0367	8/6/87	Franklin County Industrial Dev. Corp.	Construct 26,000 s.f. of new buildings.	$1,030	N	N/A
6F0367-1	5/14/90	Franklin County Industrial Dev. Corp.	Construct 56,000 s.f. building.	$3,073	N	N/A
6F0367-2	11/11/96	Franklin County Industrial Dev. Corp.	Construct 2,516 s.f. addition.	$765	N	N/A
6F0367-3	2/10/98	Franklin County Industrial Dev. Corp.	Construct 40,400 s.f. addition.	$4,194.75	N	N/A
6F0367-4	5/23/06	Peerless Clothing	Construct 80,240 s.f. addition.	$20,256.85	Y	N
6F0367-4A	10/3/11	Peerless Clothing	Construct 72,000 s.f. addition.	$23,108.76	Y	N
6F0367-5	5/3/17	Franklin County Industrial Dev. Corp.	Demolish 85,000 s.f. building and construct 90,000 s.f. building with parking.	$62,974	Y	N
6F0367-5 (Altered)	6/21/17	Franklin County Industrial Dev. Corp.	Traffic mitigation apportionment.	$0	Y	N
6F0314	9/27/84	Genfoot America	Construct 40,000 s.f. building.	$510	N	N/A
6F0314-1	9/29/00	QST, Inc.	Incorporate WW permits.	?	N	N/A
6F0314-2	5/1/00	QST, Inc.	Transfer LUP and approve new use.	$25	N	N/A
6F0043	10/12/72	Town of St. Albans	Develop industrial park.	?	N	N/A
6F0043-1	3/5/81	Target Area Development Corp.	Add 28 acres to industrial park and extend expiration date.	?	N	N/A
6F0188	7/26/78	Vestshell Vermont	Construct new building.	$271	N	N/A
6F0188-1	8/10/78	Vestshell Vermont	Approval for public buildings.	?	N	N/A
6F0188-2	6/15/81	Vestshell Vermont	Construct 8,320 s.f. addition and new parking.	$135	N	N/A
6F0188-2A	4/11/82	Vestshell Vermont	?	?	N	N/A
6F0378	10/20/87	Bertek Corp.	Construct 54,000 s.f. building.	$1,280	N	N/A
6F0378-1	9/3/02	Mylan Technologies	Construct 6,700 s.f. addition.	$1,787.13	Y	N

[18] There is a reference in the file to a fee of $135,000. That reference is being researched to verify the correct permit fee.

6F0378-2	3/12/13	Mylan Technologies	Construct 125 space shuttle parking lot.	$1,544.40	Y	N
6F0378-2A	8/10/14	Mylan Technologies	Amend permit condition.	$50	Y	N
6F0185	4/5/78	Target Area Development Corp.	Complete construction of building permitted under 6F0074.	$216	N	N/A
6F0185-1	12/13/78	Target Area Development Corp.	Incorporate COC.	?	N	N/A
6F0074	1/9/74	Target Area Development Corp.	Construct 20,000 s.f. building.	?	N	N/A
6F0591	6/11/07	Franklin County Industrial Dev. Corp.	Add 95 acres / 9 lots to industrial park.	$6,172.50	Y	N
6F0591-1	3/24/10	Franklin County Industrial Dev. Corp.	Relocate ROW, amend two conditions, and alter lighting and landscaping.	$50	Y	N
6F0591-2	2/2/11	Franklin County Industrial Dev. Corp.	Construct road.	$918	Y	N
6F0591-3	6/8/11	Franklin County Industrial Dev. Corp.	Update wetland delineation.	$50	Y	N
6F0591-4	5/16/12	Franklin County Industrial Dev. Corp.	Construct 50,000 s.f. building.	$14,731.20	Y	N
6F0277	3/29/83	City of St. Albans	Construct 5 lot industrial park.	?	N	N/A
6F0277-1	10/13/83	City of St. Albans	Construct 18,000 s.f. building.	?	N	N/A
6F0277-1 (Revised)	11/23/83	City of St. Albans	Interior plumbing.	?	N	N/A
6F0277-2	1/8/92	City of St. Albans	Change length and placement of road.	?	N	N/A
6F0277-3	11/3/83	City of St. Albans	Construct 19,200 s.f. building.	?	N	N/A
6F0277-3A	1/17/84	City of St. Albans	Extend sewer lines.	?	N	N/A
6F0277-3B	12/17/89	Associated Industrial Rubber	Construct 8,800 s.f. building.	$550	N	N/A
6F0277-4	6/12/85	Associated Industrial Rubber	Construct 1,600 s.f. building.	$200	N	N/A
6F0277-5	7/28/86	City of St. Albans	Construct 20,000 s.f. building.	$500	N	N/A
6F0277-5A	5/13/87	City of St. Albans	Subdivide existing lot.	?	N	N/A
6F0277-6	?	City of St. Albans	Construct silo.	?	N	N/A
6F0277-6 (Corrected)	11/8/89	City of St. Albans	Construct silo.	$34.08	N	N/A
6F0277-7	8/1/96	City of St. Albans	Construct 18,925 s.f. building.	$1,408.34	N	N/A
6F0277-7A	11/4/08	James Warner	Construct 29 space parking lot.	$150	Y	N
6F0277-8	11/8/98	City of St. Albans	Extend road.	$0	N	N/A
6F0277-9	9/12/17	6 Lemnah Drive, LLC	Add 12 parking spaces.	$187.50	Y	N

6F0277-10	3/22/18	CDL USA/MaplePro, Inc.	Boundary line adjustment, bank reconstruction, and construct SW system.	$187.50	Y	N
6F0092	9/6/74	Target Area Dev. Corporation	Construct foundation footings.	?	N	N/A
6F0092-1	4/14/81	Earlyn & Theodore Church	Transfer of permit.	?	N	N/A
6F0092-2	6/12/86	Earlyn & Theodore Church	Construct 1,200 s.f. building.	$82	N	N/A
6F0092-3	7/14/88	Stephen Harris	Construct 17,000 s.f. building and parking lot.	$1,500	N	N/A
6F0092-4	12/7/95	Earlyn Church	Construct 4,800 s.f. addition and loading dock.	$2,267.69	N	N/A
6F0092-4A	9/30/98	Earlyn Church	Construct 6,944 s.f. in additions.	$841.50	N	N/A
6F0092-4B	4/22/12	600 Realty Development, LLC	Construct 20 space parking lot addition.	$197.10	Y	N
6F0092-5	8/21/96	St. Albans Town	Construct 15,500 s.f. building.	$3,006.87	N	N/A
6F0092-5A	10/23/96	Franklin County Industrial Development Corporation	Construct a 7,500 s.f. addition.	$1,190	N	N/A
6F0092-5B	2/15/10	Zurn Sisters, LLC	Boundary line adjustment.	$50	Y	N
6F0092-5C	8/8/10	Zurn Sisters, LLC	Construct 5,625 s.f. addition.	$1,430.94	Y	N
6F0092-5D	7/9/15	Zurn Sisters, LLC	Construct 200 s.f. shed.	$50	Y	N
6F0092-6	4/30/06	500 Realty Development, LLC	Construct 16,400 s.f. addition, SW detention pond, and parking lot.	$1,828.75	Y	N
6F0092-6A	4/19/12	500 Realty Development, LLC	Construct 24 space parking lot.	$67.50	Y	N

ACT 194 Sample Industrial Park Fees and Permit History, Division of Fire Safety

St. Johnsbury – Lyndon Industrial Park				
Business Name	Address	Alternative Addresses or name **(Site Name)**	Permit History and fee history (to be filled in by Agencies): include date, permit name and fee collected	Additional Comments **Project Cost**
Corner Medical-Hitchcock Clinic	195 Industrial Parkway Lyndon, VT 05849	Corner Medical S# 56399	2270+2242 Addition 6/2/98 $675.00 Renov & Addition 10/10/03 3,787.40 Sprinkler 2/26/04 42.95 Rehab/Ren/Exam Rms 4/5/10 272.25	$150,150 $653,006 $7,817 $49,500
Fastenal	1718 Industrial Parkway Lyndonville, VT 05851	Fastenal-Bld #6 600 Industrial Prk S# 74496	New building 4/6/06 $825.00	$150,000
Rural Community Transit (RCT)	1677 Industrial Parkway St. Johnsbury, VT 05819	Rural Community Transp/former NEKCA) 744 Portland Street S# 38639	Auto Sales 8/15/88 $90.00 Renovation-office sp 6/4/92 $95.00	$30,000 $20,000
Amerigas	294 Industrial Parkway Lyndonville, VT 05849	Could not locate a site under name, address, or similar on any # at Industrial Parkway		
Radiantec Company	1547 Industrial Parkway St. Johnsbury, VT 05819	Radiantec Inc 1579 Industrial Parkway S# 75459	New building 8/29/06 $4,521.00	$822,000
Little Dippers Doodle Children's Center	1198 Industrial Parkway St. Johnsbury, VT 05819	Little Dippers Doodle Daycare-Lot 15 S# 74571	New building 4/11/06 $3,861.00 Sprinkler 11/2/06 154.00	$702,000 28,000
BHS Composites	1227 Industrial Parkway St. Johnsbury, VT 05819	Same S# 53774	New building 6/3/97 $5315.00 Fire Suppression 6/18/97 148.50 Spray Booth Exhaust 11/17/16 216.00 Sprinkler 4/18/17 50.00	$1,096,100.00 33,000 27,000 4,625
Lyndon Furniture	1135 Industrial Parkway St. Johnsbury, VT 05819	Lyndon Woodworking S# 53540	New building 4/30/97 $2,201 Addition 4/14/98 243.45 Sprinkler 6/26/98 25.00 Addition 3/12/99 1,862 Sprinkler 5/4/99 90.00 Addition Sprinkl 6/21/99 90.00 Sawdust bin/Gen 5/29/03 135.36	$489,000 54,100 2,500 392,000 20,000 20,000 28,200

			Cold Storg Addit 2/3/16 1,787.25 Sprinkler 4/5/16 57.06 Fire Alarm 4/6/17 50.00	325,050 10,375 5648.00
UPS Customer Center	1028 Industrial Parkway St. Johnsbury, VT 05819	UPS Distribution Facility Industrial Park Road Site# 29805	New building 3/23/90 $ 2,721	$907,000
Vermont Aerospace Industries, LLC	966 Industrial Pkwy St. Johnsbury, VT 05819	Vt Aerospace Manufacturing Inc S# 60905	Sprinkler 8/18/00 $17.86 Fire alarm 8/5/03 32.29	$3968.00 5568
NSA Industries	911 Industrial Pkwy Saint Johnsbury, VT 05819	NSA Industries-Fabrication Bldg S# 57537	New building 10/1/98 $3043 Sprinkler 12/18/98 141.55 Sprinkler repairs 2/27/12 75.90 Fire alarm 9/1/17 152.36	$676,222 31,456 13,800 19,044.40
Northeast Kingdom Processing LLC	796 Industrial Pkwy St. Johnsbury, VT 05819	Northeast Kingdom Processing S# 97275	No building project at this site	
VT Trans	1323 Industrial Pkwy St Johnsbury, VT 05819	AOT Garage S# 73943	New building-Twin St 12/1/05 $1,331.00	$242,000
Dead River Co.	988 Industrial Pkwy St Johnsbury, VT 05819	Dear River Bulk Plant S# 81929	No building project at this site	
Fred's Propane	720 Industrial Pkwy St Johnsbury, VT 05819	720 Industrial Parkway, Fred's P & H, Bulk Plant S# 75965	New building 11/22/06 $550.00	$100,000
Rutland Airport Business Park				
Business Name	Business Address	Alternative Address or name	Permit History and fee history (to be filled in by Agencies): include date, permit name and fee collected	Additional Comments **Project Cost**
Vermont Country Store	401 Innovation Drive, North Clarendon, VT 05759	S# 37890	New building 2/27/92 $11,592 Renov-mezzanine 12/23/96 3,033 Storage area 3/20/00 22,577.59 Sprinkler 8/3/00 493.33 Health ctr 3/1/13 53.35 Solar Array 7/2/16 5,555.00 Modifications 5/30/18 165.35	$2,815,000.00 673,766.00 5,017,241.00 109,628.00 9,700 1,010,000 20,669.00
Federal Express	311 Innovation Drive, North Clarendon, VT 05759	Federal Express-Airport Industrial Park S# 32372	New Building 9/25/90 168.00 8000 sq ft addition 8/2/96 931.50	56,000.00 197,000

Schwan's Food Service	310 Innovation Drive, North Clarendon, VT 05759	No Project listed as "Schwan's"		
Kalow Technologies	238 Innovation Drive, North Clarendon, VT 05759	Kalow Controls-Rutland Industrial Park S# 23826	New building 3/13/89 $ 186.90 Addition 4/2/93 869.25 Addition #2 3/19/96 900.00 Phase 1 Warehs 7/10/98 1,181.25 7000 sq ft addt 7/25/01 945.00 14,400 sq ft addt 2/11/04 2,447.50 Sprinkler 5/14/04 156.60 Renovation 7/6/06 168.85 Addition 9/15/08 1786.08 Cold storage 5/20/16 285.50	$59,300.00 183,000 200,000 262,500 210,000 445,000 27,000 30,700 324,741 47,000
Tuttle Publishing	364 Innovation Drive, North Clarendon, VT 05759	Atomic Professional Audio/Tuttle Publishing Multi Occup Bldg S# 45443	New bldg 5/3/94 $1,472.50 Addit 4/7/95 1472.50 Sprinkl 5/19/95 65.75 Office addt 2/23/99 634.50 Wareh addt 3/22/99 2,889.23 Renov 1/13/05 1867	$310,000 310,000 13,842 141,000 642,050 415,003
Ellison Surface Technologies	106 Innovation Drive, North Clarendon, VT 05759	S# 51764	New bldg 7/29/96 $2025.00 Sprinkl 9/18/96 68.40 Tenant fit up 12/96 313.79 11,634 sq f add 11/15/04 2,736 Sprinkl 1/14/05 119.25 Comp rm 3/31/06 40.50 Modifi/mezz 4/1/11 358.11 Sprink bel mezz 4/5/11 50.00 Renov-new off 9/13/12 220.00 Fire alarm 11/7/14 135.00 Spray booth 5/31/16 3285.70	$450,000 15,200 70,730 638,000 26,500 9,000 65,111 6,500 40,000 24,606 597,400
Knight Kitchens	20 Innovation Drive, North Clarendon, VT 05759	Knight Cabinets-Rutland Industrial Prk S# 24538	Knight 4/7/89 $810.00 Knight 10/10/89 5.00 TK 11/14/89 7.11 Knight 6/8/99 1,845 Sprinkl 7/16/99 105.75 Addit 9/28/04 2,757.60 Sprink 1/14/05 135.90 Suppress. 11/16/05 20.76	$270,000 1,500 2,370 410,000 23,500 612,800 30,200 3,775
Atomic Audio	364A Innovation Drive, North Clarendon, VT 05759	See Tuttle Above		
Vermont Wood Pellet	1105 Route 7B Central, North Clarendon, VT 05759	S# 72433	New bldg 3/31/05 $1,710 Addit 1/4/06 429.00 Dryer 6/28/10 1,199.87	$380,000 78,000 221,750

			Compress/tk 10/26/11 50.00 Cooler assem 10/10/13 50.00 Bulk Bin 10/10/13 50.00 Bulk Bin 4/23/15 390.00 Robot Arm 3/9/16 943.35 Boiler 4/16/18 243.20 Cooler 5/30/18 50.00	4870.99 7820.00 5,000 80,000 171,518 30,400 3,350
Frito Lay	North Clarendon, VT 05759	Nothing Specific to "Frito Lay"		
St. Albans Town Industrial Park – St. Albans, Vermont				
Business Name	Business Address	Alternative Address or name	Permit History and fee history (to be filled in by Agencies): include date, permit name and fee collected	Additional Comments
Barry Callebaut U.S.A, Inc.	400 Industrial Park Road St. Albans, VT 05478	Barry Callebaut S# 47909	Land Use: # 6F0268-4 dated 10/23/3017 Storm Water District: # 3567-INDS dated 10/17/2017 Fire Safety: Construction Permit Letter: # 1802118 dated 1/2/2018 Renov 4/10/96 880.15 Mezzan 12/15/97 1862.77 Sprinkl 2/18/98 28.57 Renov 2/9/99 642 Additio 6/7/99 3070 Sprin-racks 9/13/99 51.75 Pumproom addit 4/22/10 204.60 Additons 11/1/17 29,600 Fire alarm 1/16/18 2912.00 Sprinkler 3/12/18 753.97 Fire alarm 4/17/18 180.96	$195,588 446,631 6350 142,648 682,284 11,500 37,200 3,700,000 364,000 94,246 22,512
Ben & Jerry's Homemade, Inc	900 Industrial Park Road St. Albans, VT 05478	S# 40690	Land Use: # 6F0408-9 dated 11/14/2016 Storm Water: # 3332-INDS.A dated 8/31/2016 Fire Safety: Construction Permit Letter: # 1761438 dated 2/13/2017 Fire Safety: Underground Fire Service Main: # 1764469 dated 3/1/2017 New bldg 10/20/92 $60,849 Fire alarm 9/30/94 308.75 Suppression syst 10/26/95 159.49	$12,332,499 65,000 35,443.00

			Renov 11/3/95 15,300 Expans 7/30/02 34,744.88 Addition 11/14/02 16,715.28 Sprinkler 12/6/02 181.22 Ansul-sver rm 12/10/04 67.50 Expansion 10/1/12 1,402.50 Mezzanine 10/25/12 247.50 Mezz sprinkl 12/6/12 50.00 Chemic storg 2/21/13 3,475 Sprinkler 4/29/13 70.56 Renov 4/30/13 264.00 Modific 11/20/13 11,454.69 Reloc/hand snks 12/3/13 3,205.27 Sprinkler reloc 12/19/13 50 Addition 1/3/17 185,500 Fire alarm 1/25/17 50.00 Fire alarm 3/20/17 983.71 Sprinker 7/17/17 1,974.52 Spr heads 8/12/17 127.16	3,390,000 5,990,497 2,881,946 31,244 15,000 255,000 45,000 2,740 631,814 12,829.45 48,000 2,082,671 582,777 9,091 30,377,046 5,800 122,9064 246,815 15,895.00
Peerless Clothing International, Inc	200 Industrial Park Road St.. Albans, VT 05478	Peerless Clothing USA-Bldg A S# 45830	<u>Land Use</u>: # 6F0367-5 dated 6/22/2017 <u>Storm Water:</u> # 3062-9015.1 dated 4/25/2017 <u>Fire Safety</u>: Construction Permit Letter: # 1768711 dated 3/4/2017 <u>Fire Safety</u>: Construction Permit Letter Modification: #1807059 dated 1/22/2018 <u>Fire Safety</u>: Underground Fire Service Main: # 1793092 dated 10/5/2017 Addition 10/7/96 $945.00 Fire ala 5/9/97 15.53 Exist bld FA 9/19/97 134.30 FA upgr 1/20/98 102.36 Stairway 1/22/98 21.56 Garment rck 6/22/98 562.50 Sprinkler upgr 2/24/2000 790.53 Hood 9/15/00 55.19 Ansul 10/23/00 8.53 Addition 3/8/17 2,660 Sprin/A & C 5/5/17 107.20 Addition 5/9/17 147,200 Srver rm suppress 6/1/17 138.20 Hood 6/21/17 56.00	 $143,500 3,450 29,845 22,747 5,750 125,000 175,674 12,264 1,896 332,500 13,400 18,400,00 17,275 7,000

			Undergr pipe 7/20/17 88.00 Srvr rm suppr 8/7/17 152.00 Spr service 8/21/17 88.00 Compl sprinkler 10/16/17 6,242.86 Storg syst 12/21/17 26,056.14 FA phs 2 1/24/18 440.00	11,000 19,000 11,000 780,357.14 55,000
		Peerless clothing USA-Garment storage warehouse S#55678	New bldg 2/17/98 $5,850 Rack syst 2/17/98 6,300 Fire alarm 5/20/98 126.95 Sprinkler 1/27/05 165.78 Fire alarm 4/11/05 36.44 Phas 1 fire alarm 6/13/17 50.00 Fire suppr 6/13/17 50.00	$1,300,000 1,400,000 28,210 36,840 8,099 5,000 1,400
		Peerless Clothing-Warehouse D S# 74457	New bldg 3/17/06 38,885.00 Racking 6/30/06 9,900 Sprnklr 7/11/06 2,760 Fire alarm 11/28/06 511.50 Addition 1/23/12 $39,750.70 Sprinkler 5/2/12 2,327 Equipm/racking 5/21/12 11,000 Fire alarm 7/27/12 187.00	7,070,000 1,800,000 501,868 93,000 $7,227,400.00 423,100 2,000,000 34,000
Superior Technical Ceramics	600 Industrial Park Road St. Albans, VT 05478	500-600 Industrial Park rd S# 15618	New bldg 6/7/88 $1,800.00 Addition 9/8/95 2,401 Renov/fire suppr 6/16/97 729.77 Sprinkler 12/11/97 27.04 Office 1/6/98 891 Addition sprink 3/30/99 23.63 Canopy 8/1/01 105.75 Tower 4/2/03 85.50 Addition 4/20/06 363 Addition 7/11/06 2373.25 Sprinkler 10/6/06 192.28 Fire alarm 3/26/07 60.50 Fire alarm 6/3/10 23.10	$600,000 533,574 85,237 6,007.90 198,000 5,250 23,500 22,800 66,500 431,500 34,994 11,000 4,200

Teknor Apex, Inc	300 Industrial Park Road St. Albans, VT 05478	S# 35369	Mezzanine 6/28/91 $168.00 Storage mezz 2/16/95 141.17 Office exp 7/1/96 144.00 Tanks 4/5/99 65.00 2nd fl lab 1/4/02 33.75 Pellet storg silo 11/4/09 412.50 Teknor Renov 3/18/13 401.50 Fire alarm 10/14/13 63.25 Modif-pedestr walkw 11/14/14 126.50	$48,000 29,719 27,000 14,444 7,500 75,000 73,000 11,500 23,000
Mylan Technologies, Inc	700 Industrial Park Road St. Albans, VT 05478	S# 52062	Addition 8/22/02 $3,704.23 Fire alarm upgr 12/19/02 170.40 Sprinkler 12/14/05 17.50 Fire alarm wrk 2/26/07 8.83 Renovations 1/22/08 1,056.96 Sprinkler 7/28/08 $36.85 HVAC system 2/10/10 1,350 Sprinkler 3/8/10 15.40	$609,860 25,070 3,900 1,605 234,880 $6,700 300,000 2,800

Analysis of Fees Collected by the Natural Resources Board and the Division of Fire Safety in Three Rural Industrial Parks in St. Johnsbury, Rutland and St. Albans

St. Johnsbury

Oldest Permit: 1979
Newest Permit: 2018
Age: 39
$87,936__________Total NRB & DFS Permit Fees
$1072____________Mean Fee
$247______________Median Fee
NRB Breakout: Total permits/amendments = 50. Total fees = $53,276.43. Average fee = $1,065.53.
$2,255___________Average Annual Permit Revenue (Total/Age)

Rutland

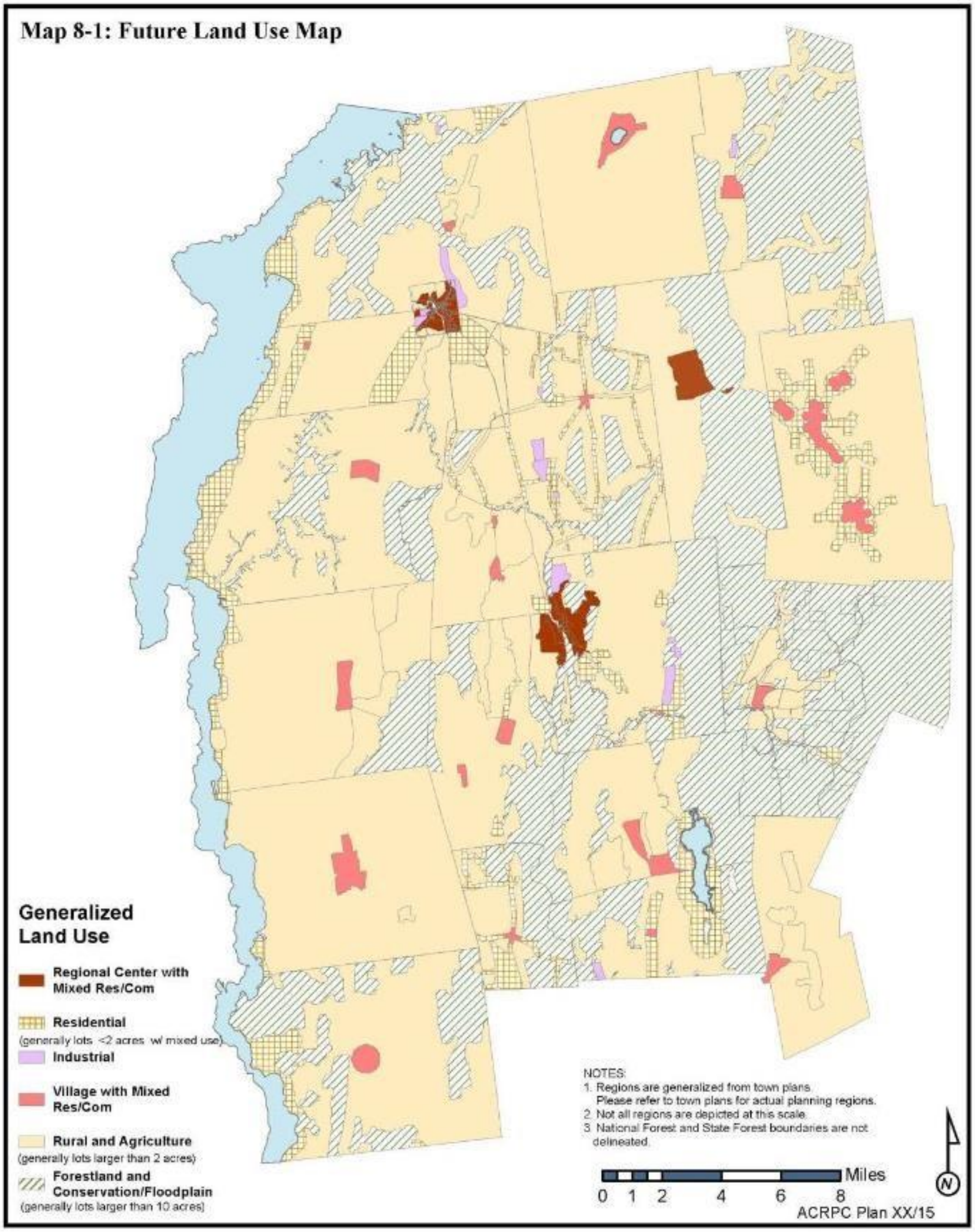
Oldest Permit: 1982
Newest Permit: 2018
Age: 36
$162,094________Total NRB & DFS Permit Fees
$1,761___________Mean Fee
$617______________Median Fee
NRB Breakout: Total permits/amendments = 40. Total fees = $82,598.44. Average fees = $2,064.97
$4,503___________Average Annual Permit Revenue (Total/Age)

St. Albans

Oldest Permit: 1972
Newest Permit: 2018
Ag: 46
$1,151,516______Total NRB & DFS Permit Fees
$7,197___________Mean Fee
$267______________Median Fee
NRB Breakout: Total permits/amendments = 84. Total fees = $453,392.03. Average fees = $5,397.53.
If the permits for which no permit fee information is available and permit 6F0408-9, which has a much higher fee than other permits, are both excluded, the average fee becomes $4,749.87.
$25,0333________Average Annual Permit Revenue (Total/Age)

APPENDIX 7: FUTURE LAND USE MAPS BY REGION

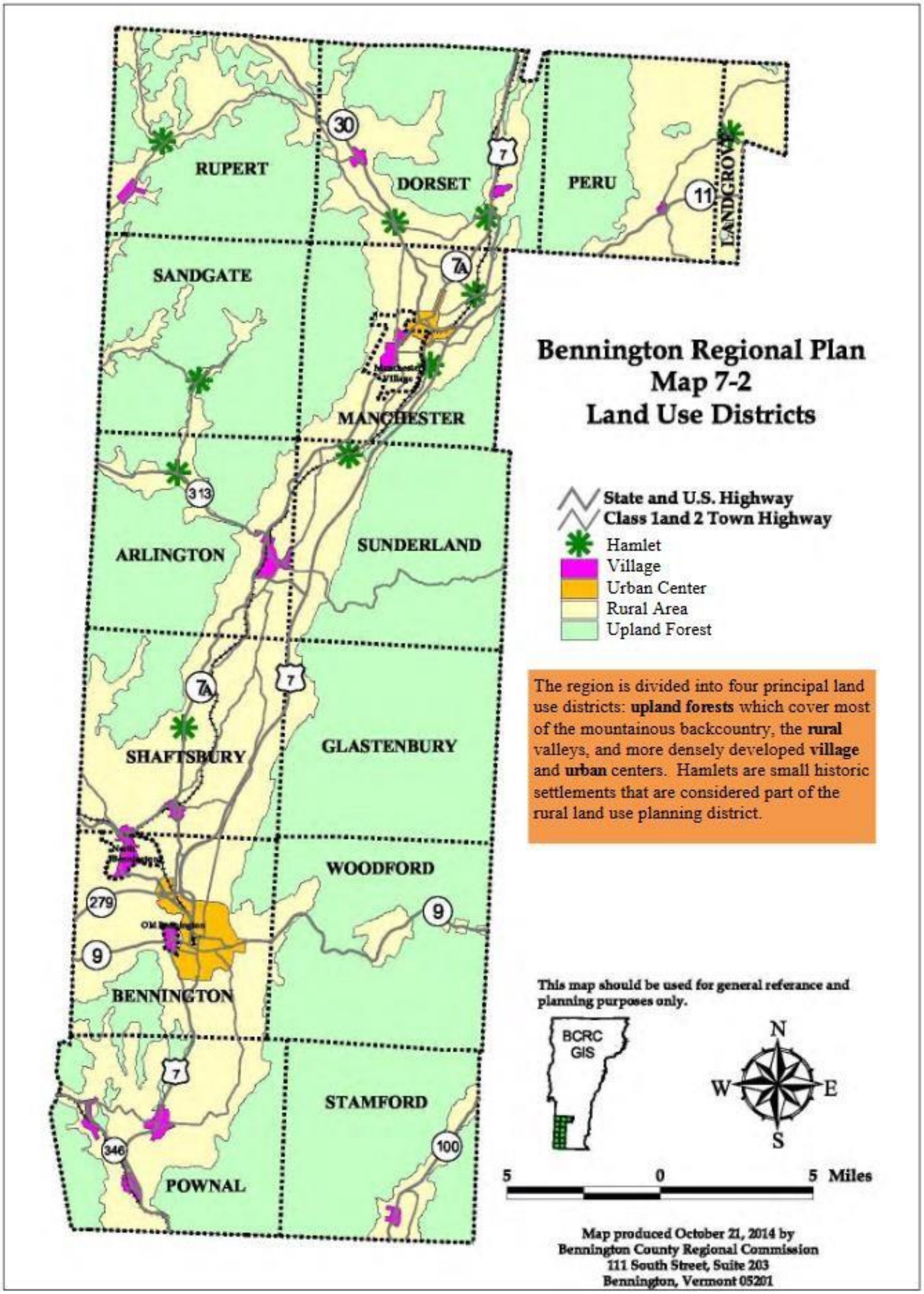
Addison County Regional Planning Commission Plan



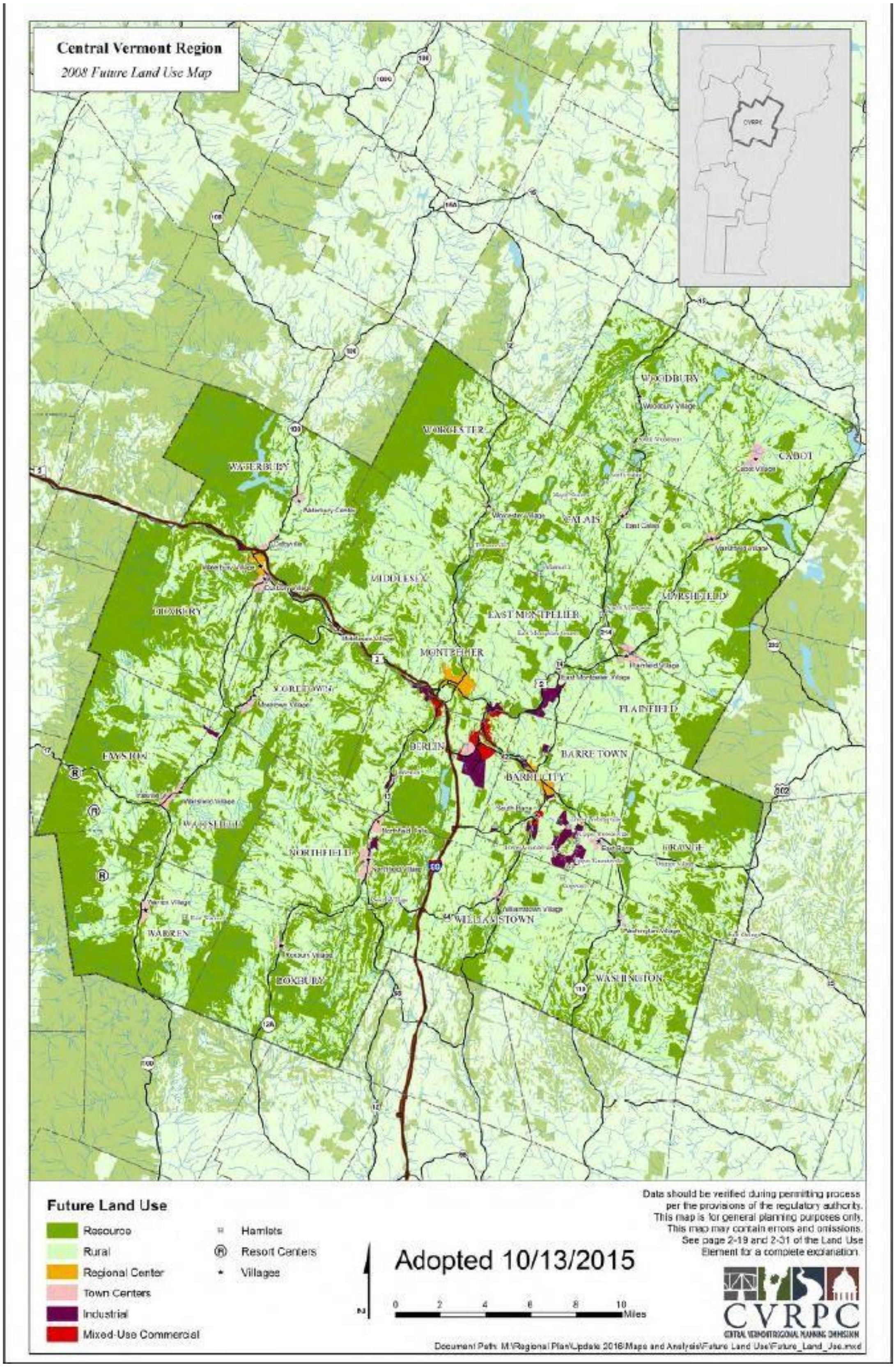
ACRPC (March 9, 2016)

Future Land Use

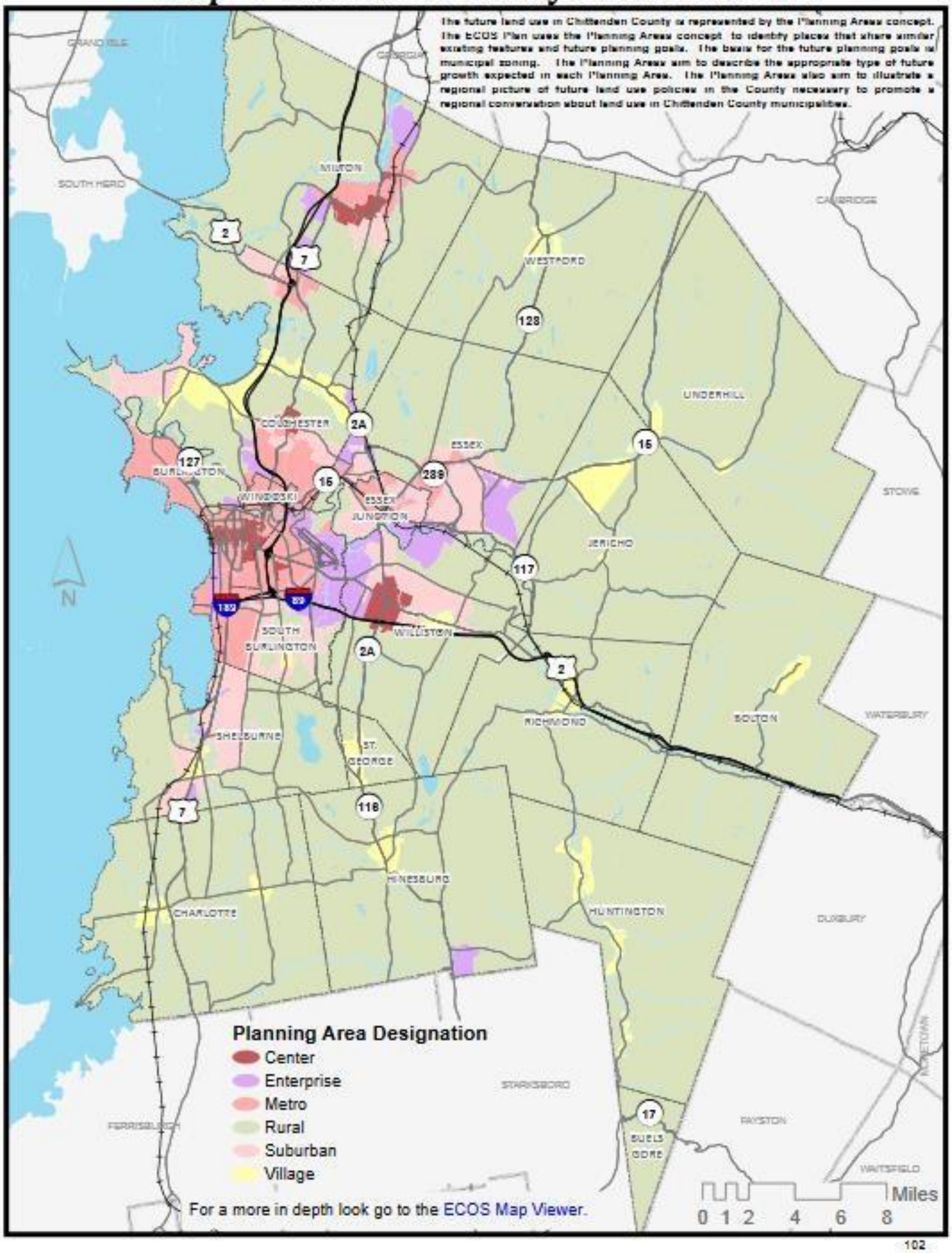
Bennington County Regional Commission Plan



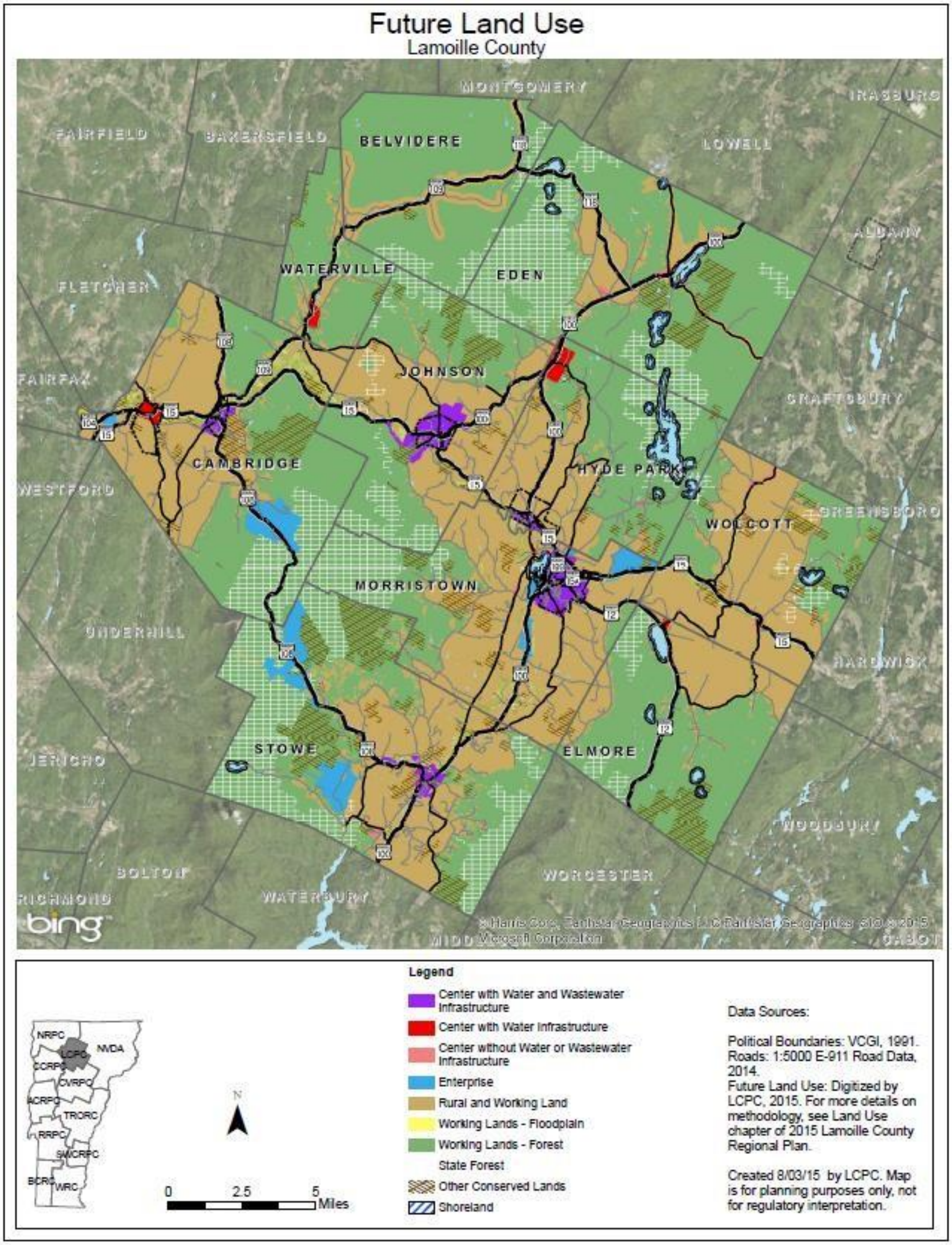
Central Vermont Regional Planning Commission Plan



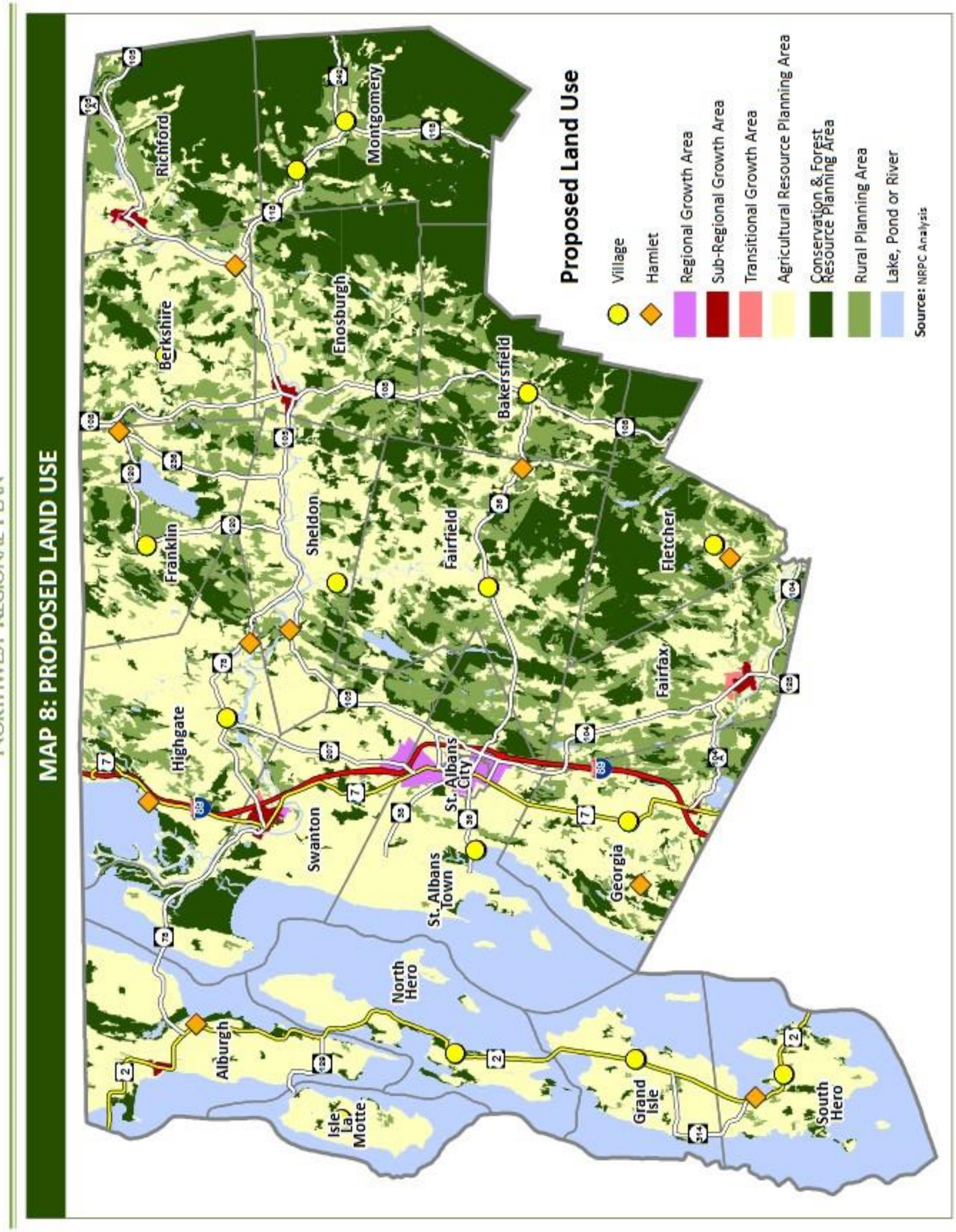
Map 2 - Chittenden County Future Land Use



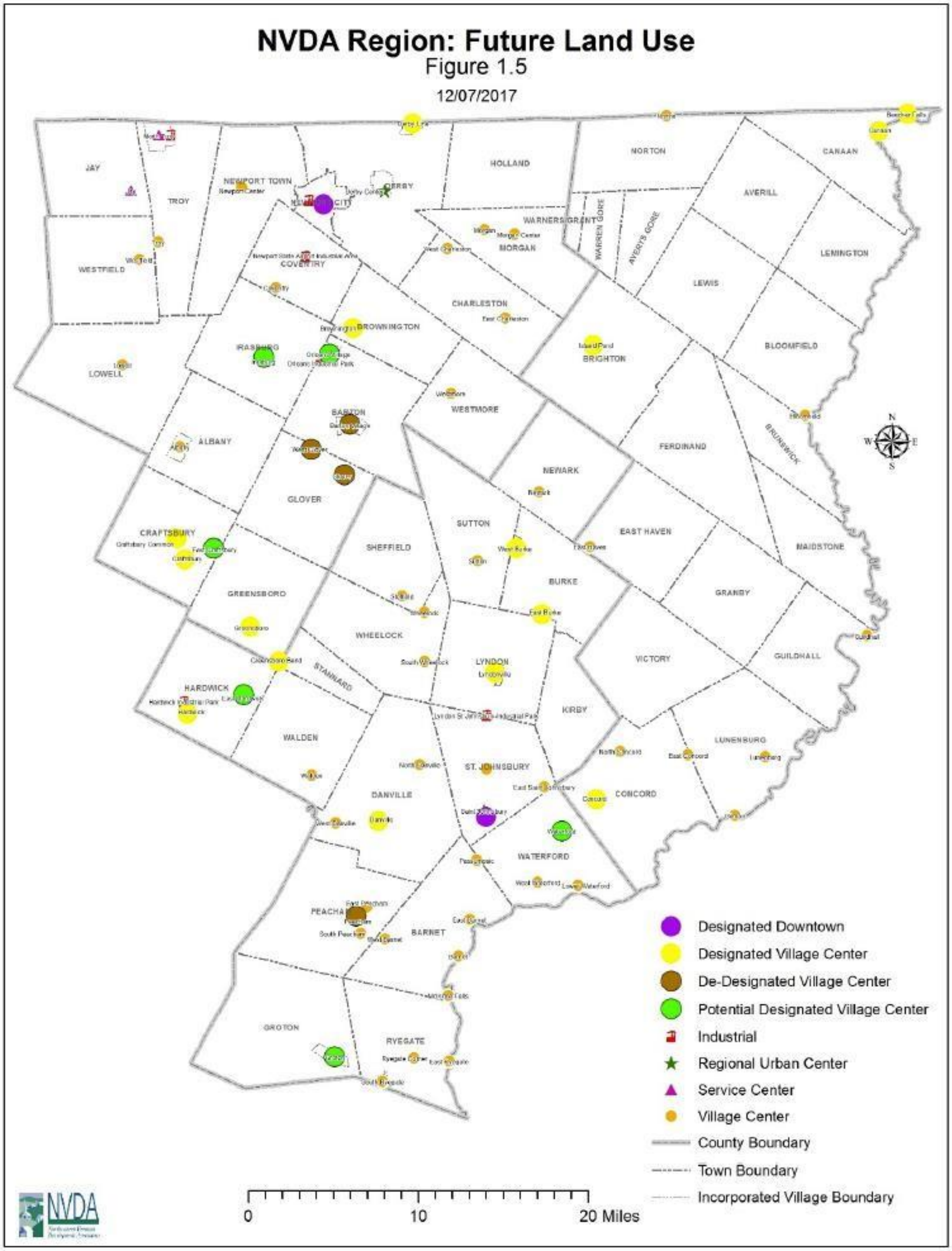
Lamoille County Planning Commission Plan



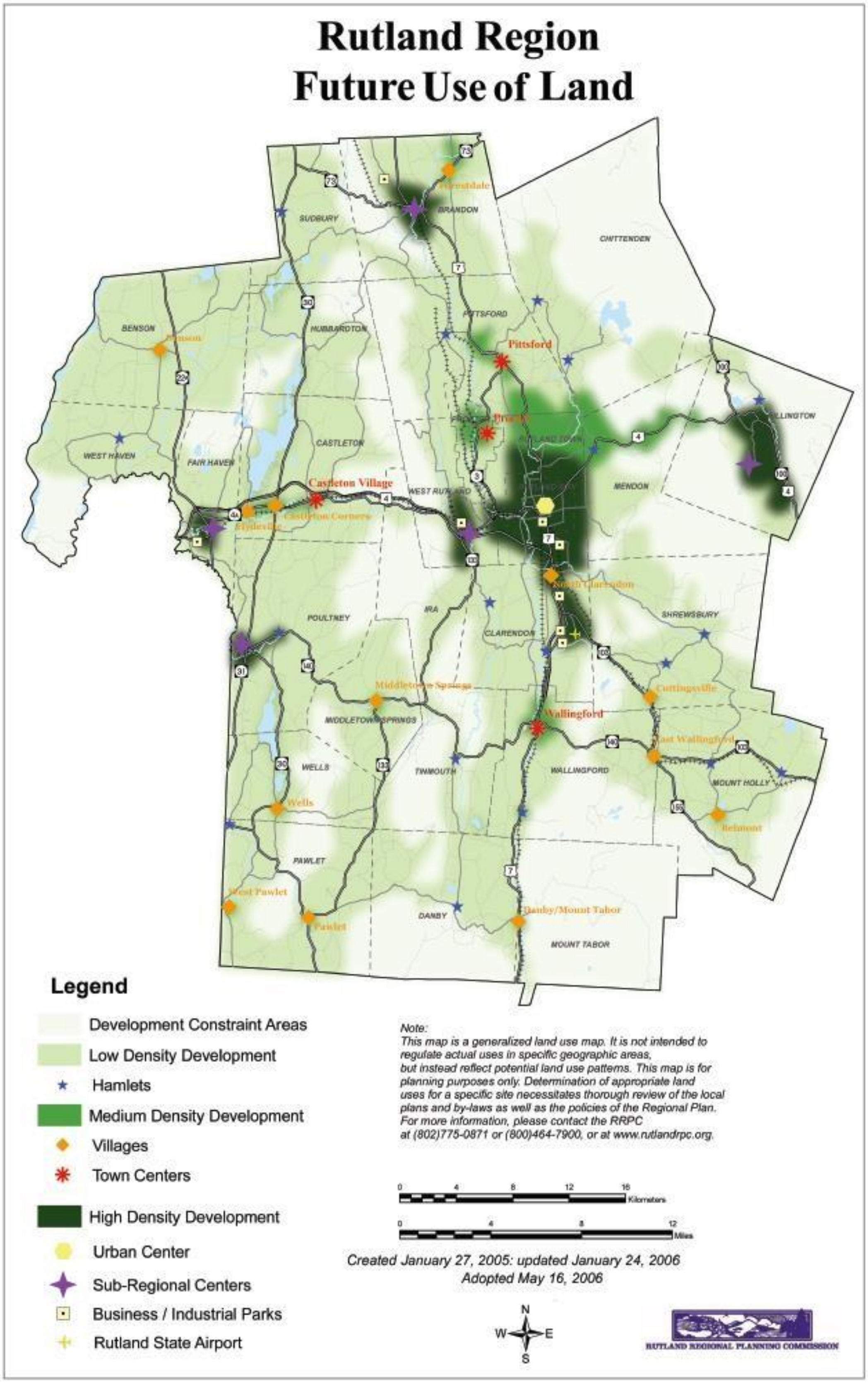
Northwest Regional Planning Commission Plan



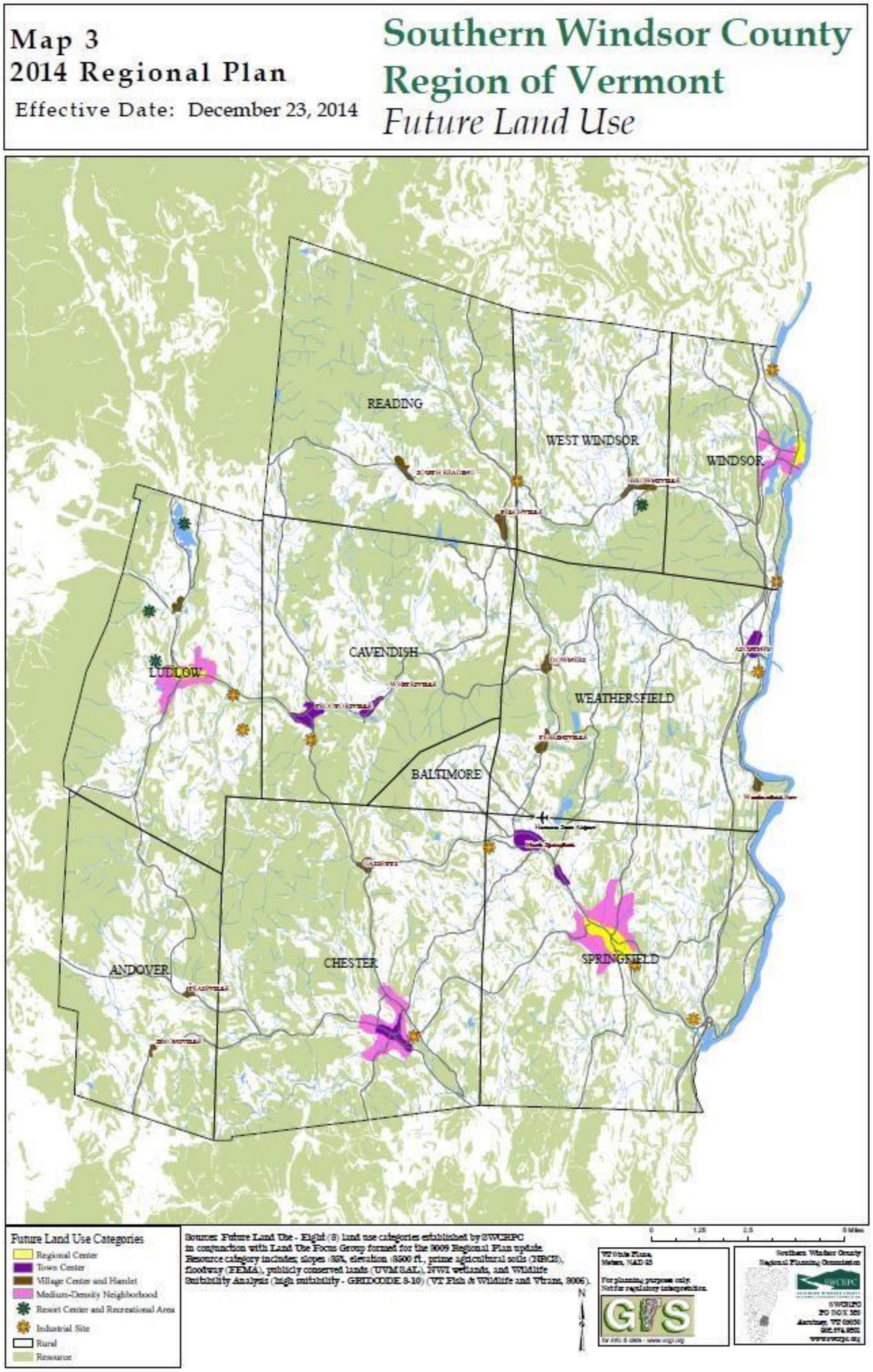
Northeastern Vermont Development Association Plan



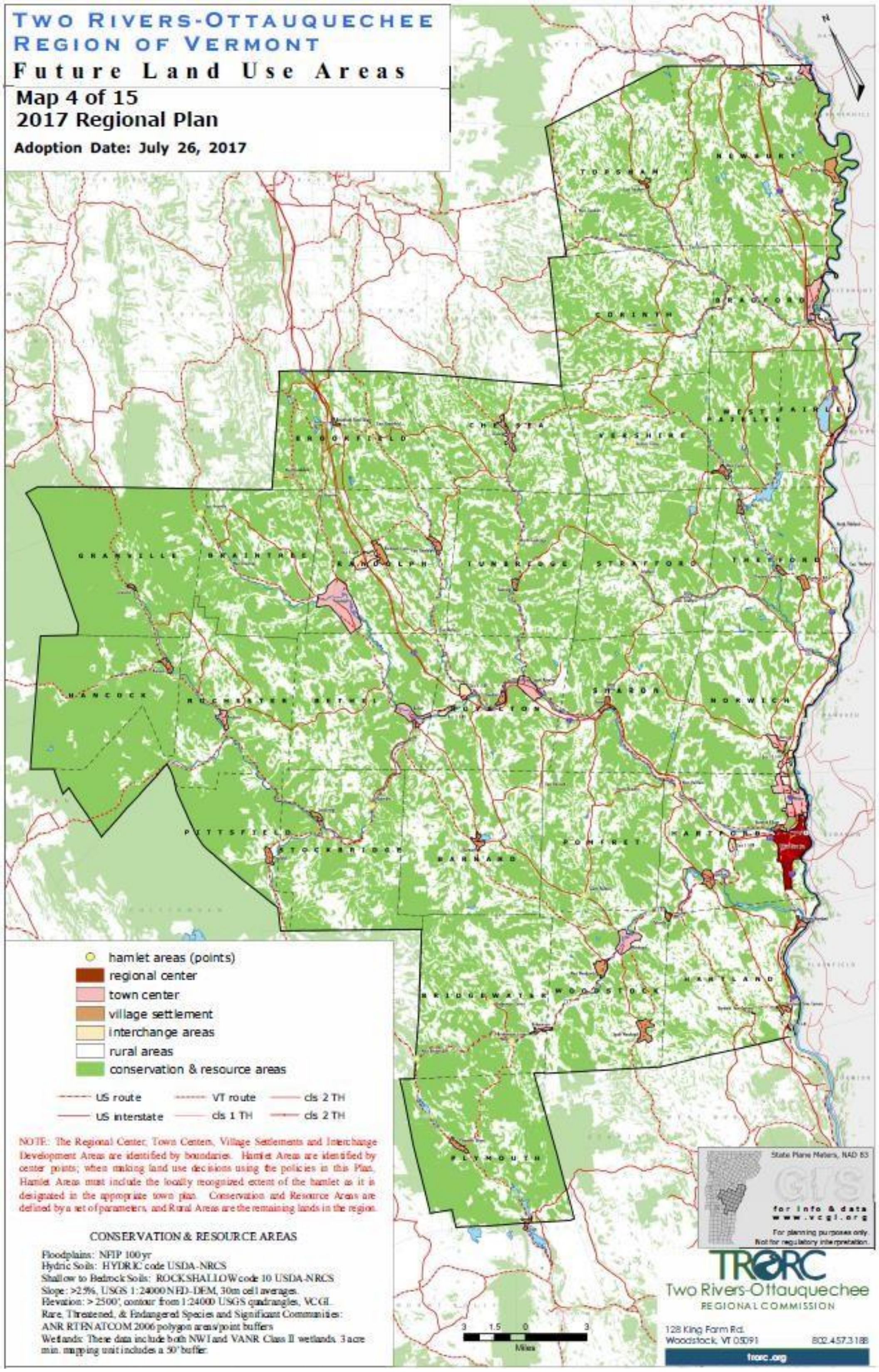
Rutland Regional Planning Commission Plan



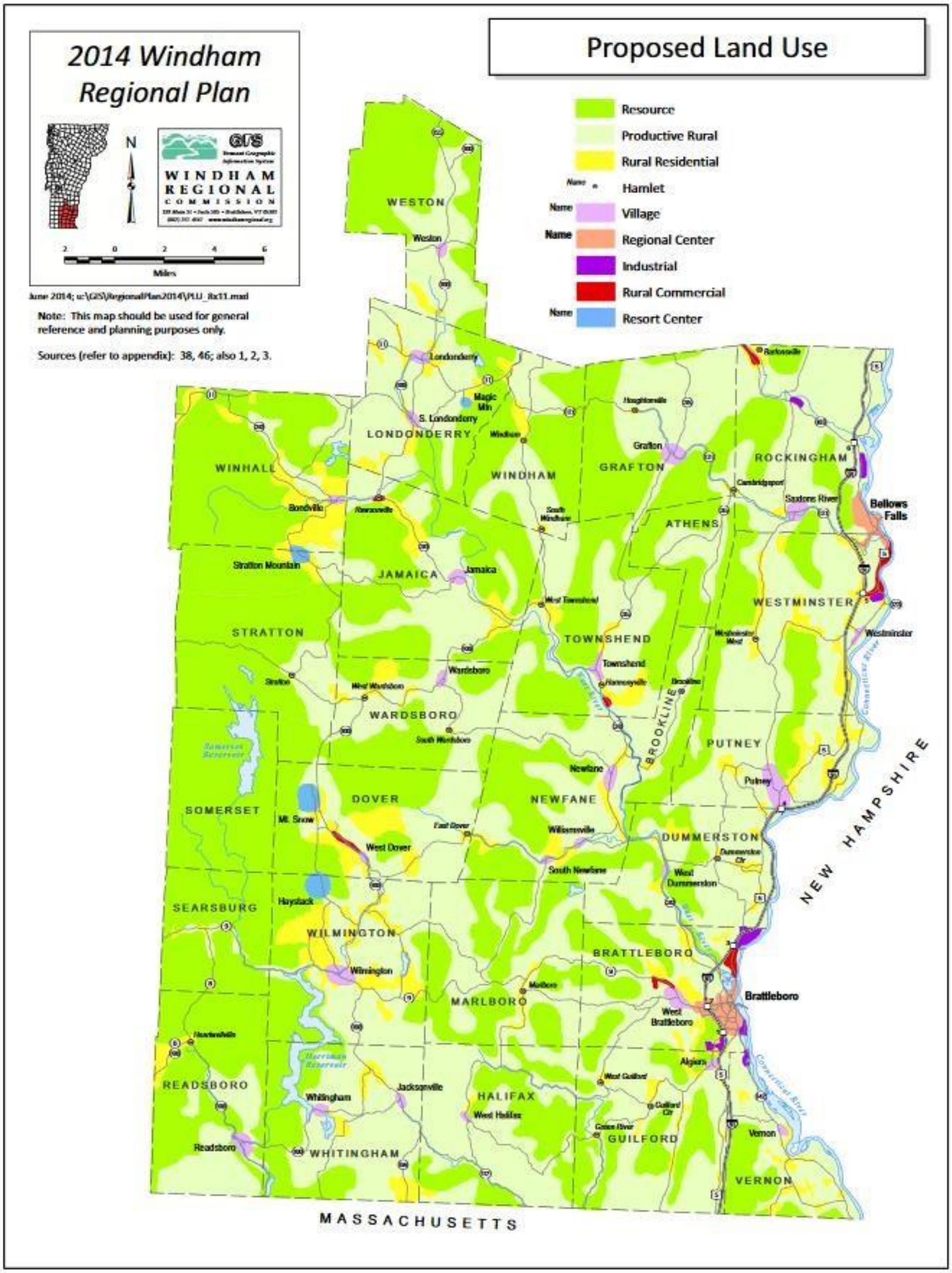
Southern Windsor County Regional Planning Commission



Two Rivers-Ottauquechee Regional Commission Plan



Windham Regional Commission Plan



APPENDIX 8: REGIONAL OUTREACH SURVEY RESULTS

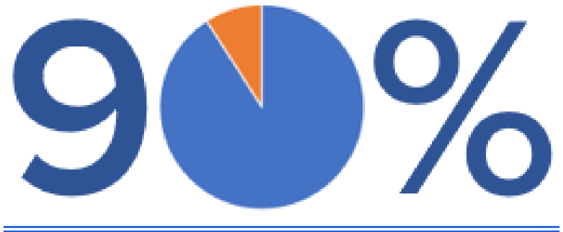
Survey of Regional Planning Commissions and Regional Development Commissions on Rural Economic Development

Act 194 Working Group
Vermont Agency of Commerce & Community Development
September 2018

Catamount Industrial Park, Milton, Vermont, 2017
Photo Courtesy of the Milton Artists Guild

ACT 194 RPC/RDC SURVEY SUMMARY

WHO PARTICIPATED?



Ninety percent of the Regional Planning Commissions & Regional Development Corporations participated in the survey.

WHAT DOES VT CONSIDER "INDUSTRIAL"?

- PRODUCTION
- PROCESSING
- DISTRIBUTION
- WAREHOUSING

What form of industrial development is in highest demand?

Vermont's regions emphasized the need for **turn-key** *buildings from 5,000 – 40,000 sq. ft. served by water, wastewater, and other infrastructure. Opportunities are missed when sites aren't readily available.*

KEY CONSTRAINTS

- Workforce Availability & Readiness
- Housing Misaligned with Demand
- Social Challenges
- Child & Dependent Care
- Adequate & Accessible Capital

PRIORITY SOLUTIONS

What's Vermont's inventory of industrial development?

The regions identified development-ready sites, but there isn't a consistent statewide method to inventory industrial development supply or assess the capacity within the development continuum: from land, to lots, to buildings.

ACT 194 RPC/RDC SURVEY SUMMARY

TOP 10 INCENTIVES

1. Brownfield Assistance
2. Special Assessment Districts
3. State Infrastructure Bonding Support
4. Permit Fee Reductions
5. Targeted State Investments
6. Permitting Efficiency
7. Tax Credits
8. Pre-Clearance Permitting
9. Funding for Municipal Infrastructure
10. Revolving Loan Funds

TOP RURAL CLUSTERS

farm & food products
light manufacturing
forest products
artisanal & mini-makers
renewable energy

PRIORITY LOCATIONS

Regional Centers
Brownfields & Vacant Sites
State-Designated Areas
Sub-Regional Centers
Near Necessary Transportation

PRIORITY FORMATS

small & medium
start-up
locally-owned

PRIORITY JOBS

full-time
year-round
livable wage

PRIORITY CLUSTERS

light manufacturing
farm & food products
high-tech production
forest products
artisanal & mini-makers

CORE LAND USE VALUES

✓ Use/Infrastructure Alignment
✓ Land Use Efficiency
✓ Use Compatibility
✓ Statewide Goal Consistency
✓ Economic Diversity
✓ Downtown Development
✓ Financially Sustainable Infrastructure

SURVEY INVITATION

The following message was sent by Deputy Secretary Brady to the RPC and RDC executive directors on September 11, 2018 to introduce the survey and invite participation.

Dear Executive Directors of Regional Planning Commissions and Regional Development Corporations:

The Agency of Commerce and Community Development's Act 194 working group is reaching out to request your help (as expert partners in planning and economic development) to shape recommendations that will grow opportunities and jobs in rural parts of the state. Section 22 of Act 194 directs the Agency to report to the General Assembly by December 15th on a rural economic development program "under which parcels in rural areas are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited in the industrial park". Although "rural" is defined in statute to mean all Vermont counties except Chittenden, we would like to include the work of CCRPC and GBIC to document statewide approaches and solutions. The report must develop eligibility criteria, recommend incentives and assistance, and present draft legislation consistent with statewide and regional development goals.

This survey is an opportunity to shape the working group's report by sharing your region's work, needs, and strategic priorities. The base survey should take a staff member familiar with your region's strategic documents 15-minutes to complete, but I encourage you to allow additional time to answer optional questions and share content from your region's work. Your input will help the working group understand each region and identify statewide best practices. Please complete the survey by 4:00 p.m. on Tuesday, September 18th.

We look forward to distributing a summary of the survey responses at the joint VAPDA-RDC meeting on October 4.

Survey: https://www.surveymonkey.com/r/K2GKBDZ?cmmts=[cmmts_value]
Deadline: 4:00 p.m. Tuesday, September 18

Thanks,

Ted Brady
Deputy Secretary
Vermont Agency of Commerce and Community Development
(802) 622-4200
On the Web at accd.vermont.gov
Check out the new Thinkvermont.com

SURVEY INTRODUCTION

The survey itself included the following introduction:

Act 194: RPC & RDC Survey on Rural Economic Development

Deadline to respond: 4:00 p.m. Tuesday, September 18.

The Agency of Commerce and Community Development's (ACCD) Act 194 working group is reaching out to request help from the Regional Development Corporations (RDC) and Regional Planning Commissions (RPC) -- as expert partners in planning and economic development -- to shape recommendations that will grow opportunities and jobs in rural parts of the state.

Section 22 of Act 194 specifically directs ACCD to report to the General Assembly by December 15th on a rural economic development program "under which parcels in rural areas are designated as industrial parks for the purposes of providing regulatory and permitting incentives to businesses sited in the industrial park". (Rural is defined in statute to mean all Vermont counties except Chittenden.) The report must develop eligibility criteria, recommend incentives and assistance, and present draft legislation consistent with statewide and regional development goals.

This survey is an opportunity to shape the working group's report by sharing your region's work, needs, and strategic priorities. We will distribute a summary of the survey responses at the joint VAPDA-RDC meeting on October 4.

Please keep THREE things in mind as you complete the survey:

One. The base survey should take 15-minutes for a staff member familiar with your region's official documents. Allowing additional time to answer optional questions and share content from your region's work will help the group identify best practices for a statewide model.

Two. Responses should reflect *available* data and official positions already taken by your organization in the regional plan, regional CEDS, strategic plans, or adopted recommendations in studies and reports.

Three. The survey has been designed to combine feedback from RDCs *and* RPCs using a single set of questions. While some questions speak to the unique work of RPCs or RDCs, our goal is to collect shared feedback on a topic with overlapping responsibility. If you do not know the answer to a question, you may skip it or explain.

Thank you for your time, work, and collaboration for a strong Vermont economy.

SURVEY RESULTS

YOUR ORGANIZATION

Q1. Please select your organization from the drop-down menu below. *(only one submission per organization may be submitted)*

Summary. The regional organizations listed below were invited to participate in the survey; bolded organizations responded to the survey. 90%, 20 of the 22 organizations, participated in the survey. 10 of the 12 RDCs participated, and 11 of 11 the RPCs participated. NVDA, a combined RPC/RDC, is double-counted within the categories above, but not the total. SWCRPC & SRDC submitted a joint response, resulting in a total of 19 submissions.

REGIONAL DEVELOPMENT CORPORATIONS

- **Addison County Economic Development Corporation (ACEDC)**
- **Bennington County Industrial Corporation (BCIC)**
- **Brattleboro Development Credit Corporation (BDCC)**
- **Central Vermont Economic Development Corporation (CVEDC)**
- Franklin County Industrial Corporation (FCIC)
- **Greater Burlington Industrial Corporation (GBIC)**
- **Green Mountain Economic Development Corporation (GMEDC)**
- Lake Champlain Islands Economic Development Corporation (LCIEDC)
- **Lamoille Economic Development Corporation (LEDC)**
- **Northeastern Vermont Development Association (NVDA)**
- **Rutland Economic Development Corporation (REDC)**
- **Springfield Regional Development Corporation (SRDC)**

REGIONAL PLANNING COMMISSIONS

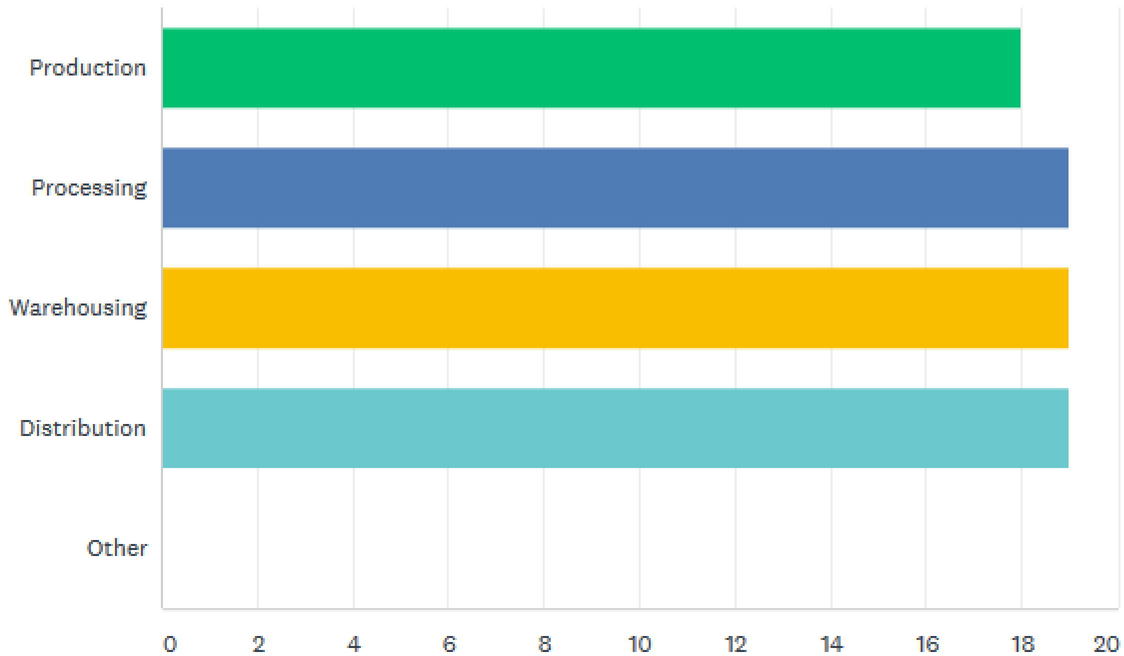
- **Addison County Regional Planning Commission (ACRPC)**
- **Bennington County Regional Commission (BCRC)**
- **Central Vermont Regional Planning Commission (CVRPC)**
- **Chittenden County Regional Planning Commission (CCRPC)**
- **Lamoille County Planning Commission (LCPC)**
- **Northeastern Vermont Development Association (NVDA)**
- **Northwest Vermont Regional Planning Commission (NWRPC)**
- **Rutland Regional Planning Commission (RRPC)**
- **Southern Windsor County Regional Planning Commission (SWCRPC)**
- **Two Rivers-Ottauquechee Regional Commission (TRORC)**
- **Windham Regional Commission (WRC)**

INDUSTRIAL DEVELOPMENT IN YOUR REGION

Q2. Which land uses does your region consider "industrial"? *(check all that apply)*

Response Count: 19 of 19

Summary. The regions consistently classified production, processing, warehousing, and distribution as industrial uses. Some regions noted that they do not differentiate between commercial and industrial uses in their planning, while others indicated broader categories like industrial and light industrial. No other specific industrial uses were mentioned.



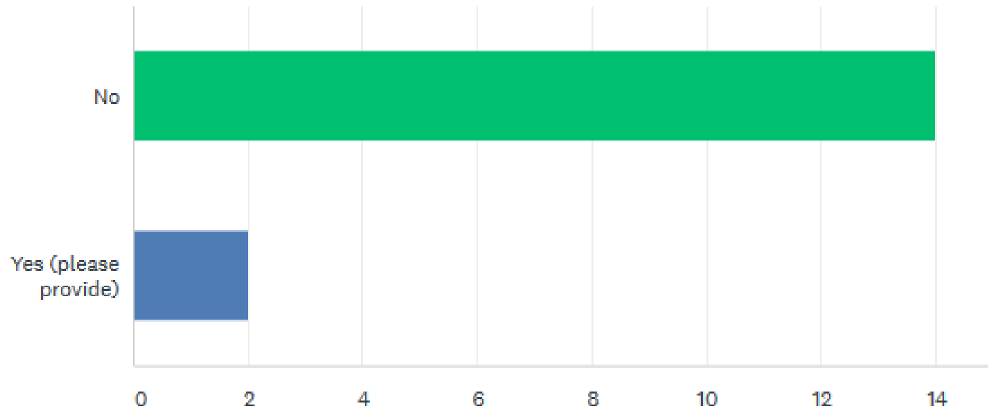
Others/Additional Comments:

- **ACRPC:** Many plans and regulations distinguish between light industrial and industrial
- **BCRC:** The BCRC does not have a specific definition of "industrial," but all of the uses noted in the question are generally considered in the same context in the land use and economic development sections of the Regional Plan.
- **CCRPC:** CCRPC's Regional Plan (2018 ECOS Plan) does not have a specific definition of what kinds of businesses are or aren't industrial. See comment on #3.
- ~~**LCPC:** wood and forest product industries should be given special consideration~~ [moved to Q22]
- **WRC:** Our plan typically does not separate commercial and industrial uses (i.e., most references are to "commercial/industrial use")

Q3. Does your region have a definition for "industrial"? *(optional)*

Response Count: 18 of 19

Summary. Most regions do not have a working definition for "industrial". WRC noted their plan groups commercial and industrial uses. CCRPC categorizes industrial within Enterprise Planning Areas. (In other parts the survey, LCPC also notes that it groups industrial uses into an "enterprise" category.)



- **CCRPC:** The ECOS Plan defines "Enterprise Planning Areas" as areas where local zoning authorizes a future concentration of employment, with adequate wastewater capacity and current or planned access to transit. This planning area includes land uses as diverse an industrial parks and Burlington's Pine Street corridor.
- **GMEDC:** Not sure

Q4. Based on available data, what is the supply of industrial development in your region? *(describe and quantify all that apply)*

Total Response Count: 17 of 19

Summary. Responses indicate that this question used development categories not commonly understood and was too open-ended to guide consistent answers. Results also indicate that most regions do not have a quantified and readily-available assessment of industrial development supply capacity within the development continuum: from land, to lots, to buildings. The question was included because a statewide inventory was identified by the workgroup as a useful way to understand whether the available supply of industrial real estate is meeting demand. A study using consistent methodology would be needed to comprehensively inform long-term statewide policies, but other survey results indicate known issues and defined needs that can inform policy today.

Lands available for industrial subdivision include:

Response Count: 12 of 19

- **ACEDC** None
- **BCIC:** Multiple areas in several towns including Dorset, Manchester, Arlington, Sunderland, Bennington, Shaftsbury, Bennington and Pownal
- **BCRC:** The largest towns in the region (Dorset, Manchester, Sunderland, Arlington, Shaftsbury, Bennington, and Pownal, and North Bennington Village) all have land zoned for industrial development. Established industrial parks exist in Dorset, Manchester (3), Sunderland, and Bennington (3).
- **BDCC:** Limited number of available parcels in zoned areas
- **CVRPC:** 1,560 acres (2002)
- **GBIC**: Technically it would be all lands zoned industrial but we only focus on those that also are served by municipal water and sewer. Lands available for further development consist of some acreage at Global foundries in Essex along with an area east of Sand Hill Road in Essex. While not convenient for trucking access to the Interstate, these are the only large parcels available.
- **GMEDC:** few good sites remain with municipal infrastructure or w/o prime ag soils
- **LCPC:** Major areas for industrial development are identified as "Enterprise Areas" on the Regional Plan Future Land Use Map. However, there are significant to constrains in many of these areas, notably lack of critical infrastructure

- **LEDC:** Proposed industrial park in Johnson; two possible areas in Morristown
- **NVDA:** Orleans (21 acres) and St. Johnsbury-Lyndon Industrial (200 acres)Parks
- **REDC:** Airport Business Park in Clarendon
- **SRDC & SWCRPC:** Frazer Property - Windsor, Precision Park - North Springfield, Depot Street - Chester, Route 5 next I-91 - Springfield, Daniels Construction Property - Weathersfield, Miller Construction Property - Windsor

Industrial subdivisions with available lots include:

Response Count: 14 of 19

- **ACEDC** Middlebury Industrial Park; Vergennes planning area
- **ACRPC:** Middlebury Exchange St. and Vergennes Panton Road
- **BCIC:** East Dorset, Manchester, Sunderland, Bennington - approximately 8 available lots across region
- **BCRC:** There are available lots or buildings available in most of the industrial zones and parks. The industrial park in East Dorset has been discussed recently as a site with limited potential for new development (nearing capacity) and the small industrial park off Route 7A in Manchester Center is generally near capacity in its existing buildings.
- **BDCC:** Extremely limited
- **CVRPC:** Wilson Industrial Park (needs additional infrastructure)
- **GBIC**: There are 23 industrial parks in the county that have been developed over the years but very few lots remain available. Of the available lots, some are very small or have limitations. Almost all of the good remaining lots are developer owned for build to lease and are not for sale.
- **GMEDC:** few exist
- **LCPC:** North Hyde Park Industrial Park, Cambridge Enterprise Park (significant grade issues). Munson Ave/Industrial Ave Area of Morristown, FIsher Bridge Industrial Park in Wolcott.
- **LEDC:** Cambridge Industrial Park; North Hyde Park Industrial Park
- **NVDA:** Newport Industrial Park
- **REDC:** Airport Business Park in Clarendon
- **SRDC & SWCRPC:** Ludlow Industrial Park, Precision Park - North Springfield
- **TRORC:** Bradford

Industrial subdivision with occupied lots include:

Response Count: 13 of 19

- **ACEDC** Middlebury Industrial Park; vergennes planning area
- **ACRPC:** See above.
- **BCIC:** East Dorset, Manchester, Sunderland, Bennington
- **BCRC:** All of the industrial PARKS in the region have some occupied lots.
- **BDCC:** uncertain what this is seeking
- **GBIC**: see above
- **GMEDC:** uncertain - good question for TRORC
- **LCPC:** See above.
- **LEDC:** Cambridge and North Hyde Park; Morristown Industrial Park
- **NVDA:** Orleans, Hardwick, Newport, and St.Johnsbury-Lyndon industrial parks
- **REDC:** Airport Business Park in Clarendon, industrial park in West Rutland, industrial park in Brandon
- **SRDC & SWCRPC:** Ludlow Industrial Park, Precision Park - North Springfield, Artisans Park - Windsor
- **TRORC:** Bradford WRJ Randolph Sharon

Occupied subdivisions that offer build-out potential include:

Response Count: 12 of 19

- **ACEDC** Middlebury Industrial Park, vergennes planning area; Connor Building
- **BCIC:** Bennington (Morse Rd), Manchester
- **BCRC:** Manchester (Taconic Business Park), Sunderland (US 7/VT 313 area), Bennington (Morse Road)
- **BDCC:** Extremely limited
- **CVRPC:** Wilson Industrial Park (needs additional infrastructure)
- **GBIC**: see above
- **GMEDC:** Very few
- **LCPC:** See above.
- **LEDC:** none
- **NVDA:** Newport Industrial Park and St.Johnsbury-Lyndon Industrial Park
- **REDC:** Airport Business Park in Clarendon
- **SRDC & SWCRPC:** Windsor Technology Park, Former Goodyear Site - Windsor, Precision Park - North Springfield

Available buildings/units include:

Response Count: 11 of 19

- **ACEDC** Connor building
- **BCIC:** North Bennington (80,000SF), Bennington (120,000SF), Pownal (50,000SF), Manchester (30,000SF)
- **BCRC:** Bennington (Maneely Corporate Park, Bowen Road), Sunderland (? - recent business departure from one building?)
- **BDCC:** uncertain what this is seeking
- **GBIC**: There are around 45 industrial zoned buildings currently available. These tend to be small buildings best suited for warehousing and service companies.
- **GMEDC:** few - former HAHN Welding in WRJCT
- **LCPC:** There are many vacant/underutilized buildings within existing settlements. Notable examples include the former Heath Lumber Mill in North Hyde Park, various Depot/Mill buildings on Railroad Street in Johnson, former Bucks buildings in Wolcott, Granery/Depot Building in Jeffersonville, Drum Building on Railroad Street in Cambridge Village Principal barrier to redevelopment of these areas is lack of critical infrastructure such as inadequate sewer and water capacity.
- **LEDC:** none
- **NVDA:** Available buildings are scattered throughout the region
- **REDC:** Airport Business Park in Clarendon Lots 7, 8, 13, 15, 16, A, C1, D, E, F1, F2
- **SRDC & SWCRPC:** Former Bryant Grinder - Springfield, One Hundred River Street - Springfield, Former Miltope Building - Springfield, Former Dufresne-Henry buildings - North Springfield, 36 Precision Drive - North Springfield, Windsor Technology Park, Former Goodyear Property - Windsor

Occupied buildings/units include:

Response Count: 11 of 19

- **ACEDC** Numerous in Middlebury Ind Park and Vergennes planning area
- **BCIC:** Numerous buildings throughout the region
- **BCRC:** Numerous - the BCIC can provide a list for each area/park
- **BDCC:** uncertain what this is seeking
- **GBIC**: The county has 12,962,000 sq. ft. of industrial space. The long term average growth has been 223,000 sq. ft. per year with average annual growth down to 153,000 sq. ft for the last 5 years. Industrial development for 2017 was 62,500 sq. ft.
- **GMEDC:** uncertain - good question for TRORC
- **LCPC:** See above.
- **NVDA:** Fairbanks Scale, Louis Garneau have additional space available
- **SRDC & SWCRPC:** ? - Don't understand the question?

- **LEDC:** MSI, Hearthstone, Concept 2, Precision Woodworking, Turtle Fur, CSS Constructors, Hawkeye International, Way Out Wax, Sutherland-Welles, Roberts Landscaping
- **REDC:** Airport Business Park in Clarendon Lots 1A, 1B, 2, 3, 4, 5, 6, 10, 11, 12, 14, B1, B2, C2

Others/Additional Comments:

- **BCRC:** Although the BCRC does not maintain a comprehensive inventory of existing industrial space and businesses, we work closely with the RDC (BCIC) and municipal governments to provide mapping and other technical support.
- **CCRPC:** Please see GBIC's answers to these questions, as well as any inventories available in the latest Allen, Brooks and Minor report.
- **GMEDC:** the scarcity in our district
- **LCPC:** (1) Difficult to quantify. Most municipalities enable a wide variety of uses within their zoning, so it is difficult to define an "industrial subdivision." (2) Questions about do not account for unique needs of land intensive industrial uses such as wood/forest products processing.
- **NVDA:** Determining the full extent of actual supply would take a significant amount of time
- **NWRPC:** Do not have this data. It could be collected in the future.
- **SRDC & SWCRPC:**(Doing this survey in partnership with SWCRPC)
- **WRC:** GIS planner is out for two weeks. Can provide at a later date if needed.

Q5. What kind of industrial space is in highest demand within your region? *(optional)*

Response Count: 14 of 19

Summary. While no region noted a demand for existing lots, several said that existing buildings of a certain size (5,000 to 40,000 square feet) are in demand – and some mentioned that specific interior amenities are important, such as single-floor construction, high ceilings, wide column spacing, and loading docks. Desirable site infrastructure that helped make a site "turn-key" or "shovel-ready" included: 3-phase power, broadband, water, and wastewater. NVDA noted that lease-to-own options were valued, and others mentioned specific industrial uses: such as distribution, manufacturing, production, warehousing and distribution. Regions later note that they miss opportunities because of they lack immediately available space.

- **ACEDC** Manufacturing space for young, growing companies
- **ACRPC:** I would need to ask the RDC.
- **BCIC:** None is in high demand currently though light manufacturing tends to be greatest in demand.
- **BCRC:** There has been some demand for existing industrial buildings - newer, single floor construction. There has been relocation of growing businesses into such spaces.
- **BDCC:** Existing buildings with adequate wastewater 8,000 to 15,000 sf
- **CCRPC:** Please see GBIC's answer to this question, as well as any inventories available in the latest Allen, Brooks and Minor report.
- **CVEDC:** There has been a highly diversified development of businesses in the regional industrial parks. Manufacturing and warehouse space is marginally in higher demand than alternative uses.
- **GBIC**: Moderate sized manufacturing space in the range of 15,000 to 20,000 sq. ft. and those of 40,000 sq. ft.
- **GMEDC:** Distribution
- **LCPC:** "shovel ready" land with necessary infrastructure (sewer, water, transportation access, broadband)
- **LEDC:** Production/warehousing/distribution
- **NVDA:** Existing buildings 5,000 - 20,000 sf in size; 3-phase power, high ceilings, loading dock(s), municipal water/sewer for lease (or lease to own).

- **REDC:** warehousing, distribution
- **SRDC & SWCRPC:** Turn-key - large/wide column spacing, water/sewer infrastructure (including pretreatment capacity), good broadband

Q6. How often do industrial businesses expand on site within your region? *(optional)*

Response Count: 15 of 19

Summary. Businesses are expanding on site (if there is space), but others relocate to larger available spaces. In certain cases, this means a business leaving its community. CVRPC shared that more expand on than off-site, and GBIC pointed out that 2/3 expand on site, while 1/3 relocate to larger spaces available in the area. Others noted infrequent expansions and slow economic growth.

- **ACEDC** Very often.
- **ACRPC:** When they can, they do. However, especially in Bristol, because of infrastructure constraints and lack of space many companies grow and then move.
- **BCIC:** Occasionally. Most recently this year with 2 expansions.
- **BCRC:** Several businesses have expanded on site - the BCIC would have better information - and some have relocated to other available industrial buildings off site.
- **CCRPC:** Please see GBIC's answer to this question.
- **CVEDC:** Whenever possible.
- **CVRPC:** More on-site than off-site expansions.
- **GBIC**: There are a number of companies that expand each year. 2/3 on site and 1/3 relocating to larger available spaces in the area.
- **GMEDC:** reasonably often if they have room
- **LCPC:** On site expansion is most frequent.
- **LEDC:** Very infrequently
- **NVDA:** Companies like Weidmann, Lyndon Furniture, and Built By Newport, have added onto their facilities in the last 2-7 years.
- **NWRPC**: Often. Very common in the St. Albans Industrial Park. Most businesses have expanded at least once.
- **RRPC:** On average a handful of Act 250 applications per year.
- **SRDC & SWCRPC:** Not often at this point due to stagnant economics and the challenge of ROI

Q7. Are there examples where the available supply of industrial space has not met the needs of expanding or prospective businesses because of reasons below? *(describe)*

Total Response Count: 15 of 19

<u>Sites</u> did not meet the needs of the proposed business due to:

Response Count: 14 of 19

Summary. Municipal services, wastewater capacity, environmental contamination, layout, and physical conditions (such as steep slopes and size) were cited as reasons sites were not feasible for some businesses. The lack of available space was cited as a competitive disadvantage.

- **ACEDC** Layout; cost
- **ACRPC:** size and infrastructure limitations
- **BCIC:** No
- **BCRC:** The demand for new industrial space has not exceeded the supply, especially as several manufacturing businesses have closed over the past 10-20 years and left industrial buildings and/or land available for use.
- **BDCC:** slope, ag soils, infrastructure, municipal services

- **CVEDC:** set-back requirements and limitations on the percentage of development on a given lot.
- **CVRPC:** space limitations or types of facility (adding retail activity to production facility)
- **GBIC**: size primarily
- **GMEDC:** lack of municipal sewer or were too small
- **LCPC:** Lack of infrastructure. Cold Storage facility could not be located in Bucks (Wolcott) due to lack of Sewer Water. Drum building in Cambridge cannot expand due to lack of wastewater. Jeffersonville cannot accept new system users due to water capacity issues. BOD issues limiting expansion of two breweries in Morristown. Local Village Markets unable to diversify into food preparation in numerous existing Village Centers. (specific details not included due to confidentiality) Brownfields issues limiting redevelopment of Railroad Street sites in Johnson.
- **NVDA:** None
- **REDC:** "Phase II" of the Airport Business Park in Clarendon needs access to water/sewer
- **SRDC & SWCRPC:** Lack of immediately available space (brownfield and regulatory issues) as well as condition of facilities not meeting current standards for use
- **WRC:** From what I gather the most common limiting factors are wastewater capacity (including BOD) and availability of relatively level land.

The costs of developing a site was too high for the business due to:

Response Count: 14 of 19

Summary. Costs that affected the feasibility of a project were attributed to: infrastructure, construction costs, permit fees, and agricultural soil mitigation fees. The cost/appraisal gap and prevailing rents were also a factor in projects not penciling out. Throughout the survey, responses note that redevelopment and re-occupation of existing buildings is often the best option but finding a building that meets the needs of a specific business can be challenging.

- **ACEDC** Infrastructure costs; permitting costs
- **ACRPC:** infrastructure costs
- **BCIC:** No
- **BCRC:** Unknown.
- **BDCC:** installation costs for road, water and sewer, permit costs, and limitations
- **CVEDC:** the appraisal/cost gap
- **CVRPC:** costs of construction vs value of final facility
- **GBIC**: new construction is very expensive compared to relocating to an existing building.
- **GMEDC:** 3 phase electricity, w/s or rail access
- **LCPC:** See above Infrastructure costs -- including capital costs of constructing infrastructure
- **NVDA:** High construction costs
- **REDC:** "Phase II" of the Airport Business Park in Clarendon needs access to water/sewer
- **SRDC & SWCRPC:** Permitting, Brownfields, Stagnant market
- **WRC:** Much of the most suitable land requires redevelopment (i.e. not greenfields).

Regulatory factors prevented a site's development due to:

Response Count: 11 of 19

Summary. Environmental contaminant regulations, setback requirements, lot coverage limitations, wetland rules, and the time and cost of permitting were cited as regulatory factors that stopped developments. While the lack of due diligence around resource limitations have caused problems, other challenges are caused by quick regulatory shifts that -- during the extended development process -- have created unanticipated barriers.

- **ACEDC** Time/cost of permitting
- **ACRPC:** Bristol Stoney Hill Archeology
- **BCIC:** No

- **BCRC:** Although some sites may have concerns with environmental contaminants from previous uses (i.e., brownfield properties), it is difficult to judge if that has been a limiting factor due to low demand. Other regulatory issues have not been evident.
- **CVEDC:** time and cost of permitting
- **CVRPC:** sites chosen had significant resource limitations
- **GBIC**: Wetlands
- **GMEDC:** prime ag soil Act 250 ruling requiring on-site mitigation (Gifford Senior Living project)
- **LCPC**: North Hyde Park fire wood processor -- Act250, Stormwater permitting, and wetland review -- timeline to complete the process, more so than the final standards themselves, represent the greatest challenge
- **NVDA:** None
- **SRDC & SWCRPC:** Uncertainty of process, time and expense of process

Others/Additional Comments:

- **ACEDC** Rents that can be charged; financing cannot support costs of new development (doesn't "pencil out")
- **ACRPC:** Bristol has demand but is generally constrained
- **CCRPC:** Please see GBIC's answers to these questions.
- **CVEDC:** available workforce
- **LCPC:** Need greater clarity/predictability for issues such as Agricultural Soils mitigation, 9(L), and river corridor/floodplain "infill" determination for Village/downtown edge areas and new/emerging settlements.
- **NVDA:** Most businesses look for existing space before building new is considered

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Q8. Is there an example of a policy or finding from a regional plan, study, or report that speaks to your region's supply gaps? *(optional)*

Response Count: 9 of 19

Summary. While some regions indicated no gaps in current supply, others referenced how the regions' CEDS have identified the need for additional sites that can be easily served by existing zoning and infrastructure. Several priorities recognize that partnering with stakeholders to actively connect supply with demand -- for long-term prosperity -- is a key success factor. For instance, BDCC's strategy includes building a database of existing properties and studying market possibilities for investment.

> **With only a few years supply of existing buildings or sites within permitted industrial parks left in the region, additional sites need to be identified and carefully planned to ensure a smooth permitting process. The best opportunities for these sites are on vacant portions of land that can easily be served by existing infrastructure. Land already owned by manufacturing companies, already being used for industrial purposes or already zoned for industrial uses are ideal. *CCRPC***

- **BCIC:** There is no supply gap currently.
- **BCRC:** The supply of industrial land/buildings in our region does not appear to be a limiting factor in business development or expansion - the supply of available labor is more of a problem.
- **BDCC:** Windham CEDS Strategy 1.3 Create redevelopment capacity in SeVT. 1.3.A Create redevelopment authority, conduct inventory and 1.3 B assemble data base of existing properties , distressed, brownfields for redevelopment,1.3.C market possibilities assessment for commercial and industrial real estate, 1.3.D set goals for number of properties to be redeveloped and capital investment attraction
- **CCRPC:** Action 2 in the Chittenden County CEDS states: "With only a few years supply of existing buildings or sites within permitted industrial parks left in the region, additional sites need to be identified and carefully planned to ensure a smooth permitting process. This

will ensure that Chittenden County is ready to meet employers' needs for expansion or relocation in Chittenden County. The most likely employment sectors with this need are technology based or other types of manufacturing, which tend to be high wage jobs. The best opportunities for these sites are on vacant portions of land that can easily be served by existing infrastructure. Land already owned by manufacturing companies, already being used for industrial purposes or already zoned for industrial uses are ideal."

- **CVRPC:** Some sites are identified as commercial or industrial in town zoning ordinances, but lack the needed sewer, water, electrical services or transportation infrastructure, while other areas have services available, but are not zoned for commercial/ industrial use. POLICY 6: Ensure availability of commercial and industrial space to meet employment and business expansion needs. A. Assess capacity of commercial and industrial space using available data, including existing GIS information, and identify the various types of commercial and industrial space needs. B. Assist municipalities in promoting marketable sites and identifying assets, deficits and options available to meet industrial and commercial site development needs; for example, the potential for use of small wastewater treatment systems.
- **GBIC**: Problems of supply are identified in the region's CEDS.
- **LCPC:** Yes, extensive discussion on permitting and infrastructure needs in Regional Plan.
- **NVDA:** No
- **WRC:** Not a supply gap per se, but there exists substantial acreage and properties that are well suited to commercial/industrial development but it will require redevelopment (i.e. site is already occupied by structures).

DEVELOPMENT CONSTRAINTS & LOST OPPORTUNITIES

Q9. Which of the following constraints would you identify as barriers to industrial development in your region? *(rank level of constraint)*

Response Count: 19 of 19

Summary. The constraints are ranked high to low using the weighted scores. The top ten are shaded below. Key constraints include workforce readiness, housing, social challenges, childcare, financing, infrastructure, and permitting. Others mentioned in the comments include the quality of schools and caring for aging adults.

Method. Users ranked constraints from low to high. Weighted scores were calculated using 1 point for "not applicable", 2 points for "low", 3 points for "medium", 4 points for "high", and five points for "severe".

Rank	Constraint	Score
1	**Workforce Availability/Readiness/Skills**	4.00
2	**Available Housing Mismatched with Demand** (quality, price, location, size, etc.)	3.89
3	**Social Challenges** (addiction, poverty, unemployment, health, inequality, etc.)	3.84
3	**Childcare/Dependent Care Availability/Affordability**	3.84
4	**Housing Affordability**	3.76
5	**Adequate Capital Based on Appraisal Levels**	3.71
6	**Water/Wastewater/Sewer/Septic Availability or Capacity**	3.53
7	**Permitting Fees**	3.42
8	**Transportation for Workforce**	3.37
9	**Permitting Process & Time**	3.33
9	**Permitting Consistency and Predictability**	3.33
10	**Resource Mitigation Fees** (agricultural soils & wetlands)	3.32
10	**Construction Costs** (materials & labor)	3.32
11	**Supply of Available Industrial Sites** (as detailed above)	3.16
11	**Utility Costs** (energy, water, sewer, stormwater, etc.)	3.16
12	**High-Speed Internet/Cell/Fiber/Service Availability or Capacity**	3.05
12	**Taxes** (real estate, sales, income, tariffs, etc.)	3.05
13	**Inadequate Public or Quasi-Public Capacity or Investments**	3.00
13	**Population Loss and Rural Disinvestment**	3.00
14	**Real Estate or Lease Costs**	2.95
15	**Access to Affordable Capital/Financing**	2.94
16	**3-Phase Electric Availability or Capacity**	2.84
16	**Quality of Life Recruitment Gaps** (vibrant centers, arts, culture, recreation, etc.)	2.84
17	**Transportation** (signals, turn lanes, rail spurs, etc.)	2.79
18	**Soft Costs** (consulting, legal, design, etc.)	2.58
19	**Access to Business Mentorship or "Economic Gardening" Resources**	2.17

Others/Additional Comments:

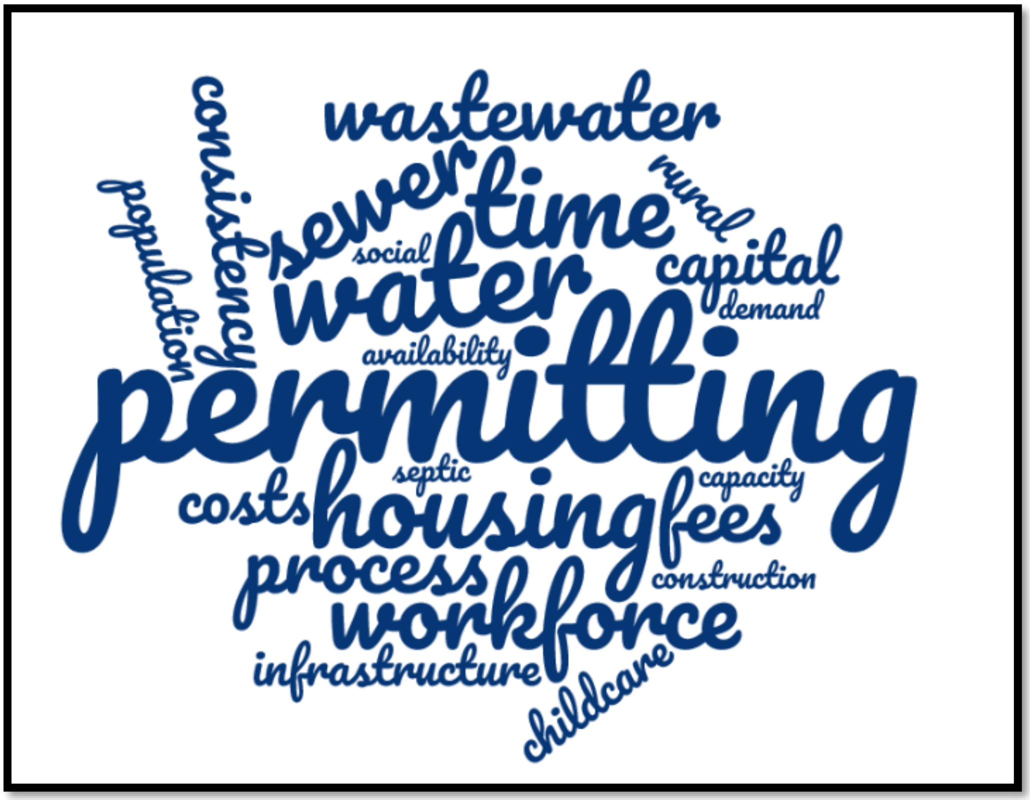
- **BCRC:** Note that in some smaller municipalities, the availability of water and wastewater infrastructure is a significant impediment, but infrastructure generally is adequate to meet regional demand. The quality of public schools is also frequently cited as a workforce recruitment concern.
- **NWRPC**: The responses vary considerably within the region.
- **SRDC & SWCRPC:** Housing costs/challenges are dependent on specific location. Lack of available public investment particularly acute with predevelopment/spec funding.

- **WRC:** Suggest future surveys call out adult day care specifically. This is a rapidly growing issue that doesn't necessarily fall into the category of "dependent care." Will only grow more significant as population continues to age.

Q10. Of the constraints identified above, what are the top three this designation can and should address?

Response Count: 19 of 19

Analysis. The word cloud below depicts words mentioned most in larger fonts (the larger words were mentioned more often than the smaller words). While many responses conflated the four permitting responses (consistency & predictability; fees; resource mitigation fees; and process & time), most respondents identified permitting as a key issue the designation should address. Close behind were water, wastewater, sewer, and septic service and capacity. Housing and workforce also featured prominently.



RESPONSES:

- 3 Phase
- Adequate Capital
- Appraisal Cost Gap
- Available Housing Mismatched with Demand (quality, price, location, size, etc.)
- Capital
- Childcare
- Childcare
- Childcare
- Construction Costs (some of which would relate to development)
- Housing
- Housing
- Housing

- Housing
- Housing
- Housing mismatched with demand
- Increasing size of rural to include communities larger than 5,000 -this is too limiting
- Infrastructure
- Infrastructure
- Infrastructure IT
- Lack of Capital Ease of Capital
- Long term supply of industrial land
- Overall costs of new construction
- Permitting fees and resource mitigation fees
- Permitting time and consistency
- Permitting fees
- Permitting fees
- Permitting fees
- Permitting process and time
- Permitting process and time
- Permitting process and time
- Permitting Process Time
- Permitting time and consistency
- Permitting time and consistency
- Population Decline
- Population loss and rural disinvestment
- Population Loss and Rural Disinvestment
- Public Investment
- Regulatory consistency, speed and cost
- Sewer and Water
- Social challenges
- Social Challenges
- streamlined permitting process and reduced costs
- Taxes
- Utility Costs (energy, water, sewer, stormwater, etc.)
- Water sewer
- Water/wastewater
- Water/Wastewater Funding to support increased BOD capacity of small municipal systems
- Water/wastewater/sewer
- Water/Wastewater/Sewer/Septic Availability or Capacity
- Water/wastewater/sewer/septic constraints
- Workforce
- Workforce
- Workforce
- Workforce
- Workforce
- Workforce Availability

Q11. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response [on constraints]? *(optional)*

Response Count: 10 of 19

Summary. The regions' prior planning supports: efforts to repopulate rural areas, address an aging and declining population, workforce recruitment and quality, childcare access, affordable housing, increasing median wages, creating an "enterprise" state designation, building infrastructure capacity aligned with land use, directing growth into areas planned for it, attracting capital, and getting to work on longstanding issues.

> **The limited number of clearly identified, well-serviced, commercial/industrial sites hampers the ability of local businesses to expand and new ventures to develop. Similarly, the capacity of some of the region's existing public infrastructure is being severely strained by age, quality and the demands being placed on it from all sectors. The costs of upgrading and expanding public facilities often outpace the ability of users to pay. The lack of venture and expansion capital is a serious obstacle to business development, especially for smaller enterprises. *CVRPC***

- **BCIC:** The Southern Vermont Economic Development Zone reports speaks to the urgent need to repopulate Southern Vermont. In particular it speaks to the challenges and aging and declining population businesses face when trying to recruit workforce.
- **BCRC:** 8.8% reduction in regional workforce 2002 - 2012 (Bennington County Regional Plan, Section 6.1). Importance of childcare availability to regional economy and challenges (Regional Plan, Section 5.4). Median home value in Manchester/Dorset area - $341,000 to $500,000+ and lack of quality workforce housing in Bennington (Regional Plan, Section 4.5). Link to Regional Plan: http://www.bcrcvt.org/regional-plan.html.
- **BDCC:** WIndham CEDS Goal 1 Reverse population decline, 2 Increase number of well-paying jobs, improve workforce quality
- **CCRPC:** Action 2(a) in the Chittenden County CEDS says: "CCRPC and GBIC will work with ACCD to have business/industrial parks recognized as benefit locations in state designation programs." Strategy 12 of the CEDS calls for CCRPC to "Support changes to the local and state permitting process to make the two more coordinated and effective," and a number of suggested actions are included. Additionally, **CCRPC's board adopted "Recommendations for Improving Vermont's Permitting System" calls for the creation of "Enterprise Zones" as state designated growth centers to address these concerns. [emphasis added]**
- **CVRPC:** Finding: The limited number of clearly identified, well-serviced, commercial/industrial sites hampers the ability of local businesses to expand and new ventures to develop. Finding: Similarly, the capacity of some of the region's existing public infrastructure is being severely strained by age, quality and the demands being placed on it from all sectors. The costs of upgrading and expanding public facilities often outpace the ability of users to pay. Finding: The lack of venture and expansion capital is a serious obstacle to business development, especially for smaller enterprises.
- **GMEDC:** The VT Futures Project highlighted all three and many people have commented that they are not new realizations. It's "time to make the donuts".
- **LCPC:** Community/area specific needs are identified in the Regional Plan
- **NVDA:** No, but NVDA is contacted periodically by businesses or their consultants asking for help to get a permit pushed through after delay. We also see permitting delays in construction projects that we are involved with.
- **NWRPC:** Ensure that public investments—including public facilities and the construction or expansion of infrastructure—will promote expansion in growth areas designated in this plan and will not encourage the development and/or fragmentation of farmlands or other resource areas.
- **WRC:** The absence of water/wastewater in villages precludes the development of new housing, or even increase in number of dwelling units, and the same goes for commercial

enterprises. We have substantial lands available for redevelopment for commercial/industrial purposes, and that's what our plan encourages.

Q12. What desirable development opportunities have been missed by your region due to the barriers cited above? *(optional; quantify if possible)*

Response Count: 8 of 19

Summary. Respondents said that opportunities were missed because of unanticipated development constraints, such as: archaeology, wastewater limitations, construction costs, permitting timelines, infrastructure financing, the high cost of redevelopment in areas outside of floodplains, and perceptions of the permitting program.

The Village of Jeffersonville, which is located in Cambridge Town -- one of the most rapidly growing communities in Vermont -- is unable to accept new water system users due to lack of capacity. Simultaneously, the Village sewer system has nearly 50% of its capacity unallocated, resulting in extremely high sewer system fees. Since the sewer and water system generally serve the same users, these high sewer fees make financing of water system upgrades unaffordable. Several local property owners have been inhibited in re-purposing existing space because of these issues. *LCPC*

- **ACRPC:** Stoney Hill in Bristol is struggling because of the barriers mentioned [archeology].
- **BCRC:** Difficult to quantify. I have no direct knowledge of any recent project not proceeding due to a lack of industrial space.
- **BDCC:** I have had several inquiries over past 6 months that all require BOD treatment/pretreatment. Knowing our regional capacity for increased BOD's at municipal treatment facilities, we pursue these opportunities knowing we face uncertainty in getting permits.
- **CVEDC:** We have had two projects in the past 18 months that expanded operations outside Vermont due to the cost of construction and the timeline to permit.
- **GMEDC:** Research should be done of companies that selected NYS (Global Foundries for example or several in Plattsburgh) or NH (many choose the Lebanon or Keene markets). Their conclusions support the widely held perception that VT is difficult and expensive to permit in and that its workforce, housing and IT make it economically unfeasible.
- **LCPC:** Significant underdevelopment in many Village Centers due to lack of water wastewater capacity. See discussion in prior answers. For example, the Village of Jeffersonville, which is located in Cambridge Town -- one of the most rapidly growing communities in Vermont -- is unable to accept new water system users due to lack of capacity. Simultaneously, the Village sewer system has nearly 50% of its capacity unallocated, resulting in extremely high sewer system fees. Since the sewer and water system generally serve the same users, these high sewer fees make financing of water system upgrades unaffordable. Several local property owners have been inhibited in re-purposing existing space because of these issues.
- **NVDA:** We suspect that some business expansions may not happen because they don't want to deal with permitting.
- **WRC:** Costs of redeveloping already developed land. Some of these lands are in floodplains, which further increases costs.

EFFECTIVE INCENTIVES

Q13. Which of the following incentives would you identify as the most useful tools to increase the quality and quantity of industrial development in rural areas? *(rank by level usefulness)*

Response Count: 18 of 19

Summary. The incentives are ranked by usefulness high to low using weighted scores. The top ten are shaded. Valuable incentives include: brownfield assistance, special assessment districts, bonding support, permit fee reductions, coordinated state investment, and permit efficiency. Additional comments focus on including areas of the state with larger populations that may not be considered rural, expanding the TIF program, expedited and "blanket permitting", gap financing when appraisals can't support the loan-to-value ratio, alignment and conformance with land use planning, regulatory and non-regulatory tools, debt capacity, and continued support of and parity with the existing designations. Several comments have emphasized that a new designation should not undermine the existing designations.

Method. Users ranked incentives from low to high. Weighted scores were calculated using 1 point for "not useful", 2 points for "low", 3 points for "medium", 4 points for "high", and five points for "extremely useful".

Rank	Incentive	Score
1	**Brownfields.** Additional funding to clean brownfield sites and options to limit liability	3.89
2	**Special Assessment/improvement Districts.** Local funding to re-pay bonds for infrastructure improvements and operate a shared resource, such as a district stormwater system. This would save developers the cost of permitting, building, and operating their own system on each lot.	3.72
2	**State Infrastructure Bonding Support.** Increase state bonding/capital funding for development-enabling infrastructure.	3.72
3	**Permit Fees.** Reduce state permit and/or mitigation fees.	3.67
4	**Targeted State investments.** Coordinate state investments for designation (such as the Municipal Planning Grant, Vermont Community Development Program, Agency of Natural Resources Revolving Loan for Water and Waste Water, Working Lands Grants, etc.)	3.61
5	**Permit Efficiency.** Shorten the state permitting processes and timelines.	3.56
6	**Tax Credits.** Tax credits for investing in manufacturing-related infrastructure funds.	3.53
7	**Pre-Clearance for Various Permits.** Pre-clear sites for permit compliance or review criteria exemptions, such as Act 250 historic preservation or settlement pattern.	3.44
7	**Municipal infrastructure Bonding.** Municipal bonding to support infrastructure (sewer, water, stormwater roads, sidewalks, etc.)	3.44
7	**Revolving Loan Funding.** Revolving loan for manufacturing-related infrastructure projects (new or refurbished), gap financing for low appraisals, or spec. construction.	3.44
8	**Agricultural Soil Off-Site Mitigation Option.** Enable the municipality to mitigate agricultural soils in designated areas by conserving agricultural soils elsewhere	3.39
9	**Pre-Filing Access to Permit Administrators.** Allow and encourage pre-development consultations and pre-filing services.	3.28
10	**Property Tax Stabilization for Subdivision Development.** Municipal agreement to ensure lots and infrastructure are taxed at the pre-development value up to six (6) years or until individual lots are developed (whichever comes first) to reduce up-front infrastructure and subdivision development carrying costs..	3.22

11	**Property Tax Stabilization for Vacant Buildings.** Stabilize taxes for unoccupied buildings while they are actively marketed	3.17
12	**PPP Technical Assistance.** DED technical assistance for pre-development agreements that reduce infrastructure development risk and support private-public partnership (PPP) between municipalities, developers, and the State	3.12
13	**Planning Assistance.** Funding for towns that permit industrial parks that meet state standards (municipal incentive to improve local bylaws for predictable and consistent permitting).	3.00
14	**Character of the Area Appeals.** No permit appeal on "character of the area".	2.71

Others/Additional Comments:

Incentives to redevelop existing industrial sites would be helpful as most of the best sites have already been developed. *WRC*

- **BDCC:** Making sure to increase size of rural communities beyond 5,000. Also, the language on ACT 194 that was attached seems to emphasize ag and farming and has strikethrough industrial parks.
- **CCRPC:** Authorizing the creation of more TIF districts.
- **GBIC**: Expedited local permitting and blanket permitting that would carry forward as a presumption for state permitting. [moved from Q30]
- **GMEDC:** All are important. Please convince the legislature of this!
- **GMEDC:** Gap funding to support financing for new projects for an initial period (5-10 years perhaps - will vary) when they appraisals can't support the LTV ratio. Some companies are sufficiently strong to afford the annual debt payments but don't have the capitol to invest in the property upfront. [moved to Q30]
- **LCPC:** Conformance with both municipal and Regional Plans must be a prerequisite for creating "Enterprise Areas" or "Emerging Settlements," and the process of defining such areas must ensure that regulatory and/or non-regulatory tools (such as bylaws, capital plans, official maps, etc.) are in place to provide appropriate infrastructure and services, and to prevent adverse impacts to resources important to other communities, particularly the transportation network. In no case should regulatory or financial incentives be granted to "Enterprise Areas" that are not also granted to other designated areas, including Village Centers. Doing so would have the unintended consequence of drawing development out of Village Centers. Not only would this be contrary to State Planning Goals, it would exacerbate and accelerate the hollowing out of the economy in many rural communities.
- **NWRPC:** While many of these may be useful from a policy perspective, a higher priority would be to use these tools in our current designed areas.
- **SRDC & SWCRPC:** Many communities lack capacity to accommodate additional debt - so, while the concept of additional municipal bonding/loans is interesting, how many communities could really utilize it? Programs to provide lesser-cost, and greater (easier to access) capital to private investors is helpful.
- **WRC:** In a very hilly region with a long history of industrial development such as the Windham Region, incentives to redevelop existing industrial sites would be helpful as most of the best sites have already been developed. [moved from Q30]

Q14. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response [on incentives]? *(optional)*

Response Count: 8 of 19

Summary. Many plans identify priority incentives. These include: tax increment financing, use-by-right zoning, allowing some industrial uses in centers, addressing industrial impacts using performance standards instead of separations, collaborating with owners of extraction sites to locate new enterprises that can remediate, investing in infrastructure, and more.

Encourage development in already developed areas, including brownfields and areas where infrastructure investments have been made. *NVDA*

- **BCRC:** Section 6 of the Bennington County Regional Plan includes a general discussion of key issues (see Section 6.4 - Regional Community and Economic Development Needs).
- **CVRPC:** Policy 14: Focus infrastructure investments in downtowns, village centers and growth centers and promote use of healthy community design principles in public investments and land use regulations.
- **GBIC**: TIF's work well.
- **GMEDC:** The TIF funding in WRJCT (Hartford) has accelerated the rebirth downtown, and a designated Growth Area designation on Sykes Avenue has helped make it a regional hub for auto sales and service facilities. The $1M CDBG award to GMEDC for LEDynamics, VEDA financing and rapid permit response combined to keep the company in VT.
- **LCPC:** (from Regional Plan) Within zoning districts designated primarily for industrial development, municipalities are encouraged to consider allowing some industrial uses as permitted uses rather than conditional uses. In such areas, municipalities should also consider measuring performance standards such as noise from the boundary of the industrial district rather than property lines within the district. Work with owners and operators of existing intensive uses, such as gravel pits and other earth extraction industries, to determine if future industrial uses may be incorporated in long term remediation of the site. In recognition of the need for "shovel ready" industrial land in Lamoille County, offsite mitigation should be allowed for any development that is primarily industrial in nature or will provide infrastructure needed to support industrial development (such as warehouse, distribution, and port facilities). Such mitigation should follow the minimum ratio required by statute.
- **NVDA**: The NVDA Regional Plan encourages development in already developed areas, including brownfields and areas where infrastructure investments have been made.
- **NWRPC:** Target future economic growth primarily in the region's existing and planned growth areas. a. Locate industrial development first in existing industrial areas. Ensure that industrial growth outside of existing industrial areas is located near or within growth areas designated in the municipal and regional plan, on property with sufficient infrastructure.
- **WRC:** The commercial/industrial designation for the Regional Plan is primarily concerned with large-scale activities, and development of industries in close proximity to each other that are either complementary or that coexist easily without significant land use conflicts. Within this land use category, existing and future commercial and industrial activities are encouraged, including new development, redevelopment, and the conversion of previous non-industrial uses. Examples of these types of redevelopments include manufacturing facilities, large-scale distribution centers, and business campuses that employ a high number of individuals. The areas designated by this plan for future commercial/industrial land use have been selected due to their potential for concentrated commercial and industrial development. This potential is supported by access to infrastructure such as suitable transportation opportunities, water and wastewater facilities, and broadband/communications technology. It is acknowledged that commercial activity and small scale, individual industrial activities will take place in other parts of the region as directed by town plans, which can address the town needs with more specificity. Major commercial or industrial development can have a high potential for conflict with surrounding land uses. As a first step towards mitigating the potential impact of such

projects, these developments should be directed to areas designated as appropriate for commercial or industrial use. Thoughtful planning for growth in such areas is intended to provide jobs for residents and increase municipal tax bases. Because jobs development is expected in these areas, growth in them should consider proximity and access to adequate housing stock. A critical aspect of this designation is rail access, which should be preserved in these areas. When feasible, businesses and industries with high freight demands should locate within the rail corridor, improving mobility of goods by rail. The designation of commercial/industrial sites allows for location of these types of businesses without creating adverse impacts on adjacent land uses. Large-scale commercial/industrial uses, which are important to the region, need to be located in areas where off-site impacts such as noise, traffic and light/glare can be mitigated. Landscaping or other visual and auditory screening should be provided between industrial uses and abutting incompatible land uses and major roadways. Environmental impacts of developments within this designation need to be thoroughly reviewed and adequately addressed in the early stages of project development.

Q15. Is there an example of an incentive that has made a big difference for development(s) in your region? *(optional; quantify if possible)*

Response Count: 9 of 19

Summary. Critical incentives include: Vermont Employment Growth Initiative, Community Development Block Grants, Tax Increment Financing, the Brownfields Program and BRELLA, wastewater funding, and New Market Tax Credits.

BRELLA enabled Farmway in Bradford to expand significantly and continue to compete successfully with NH and web-based retailers. GMEDC

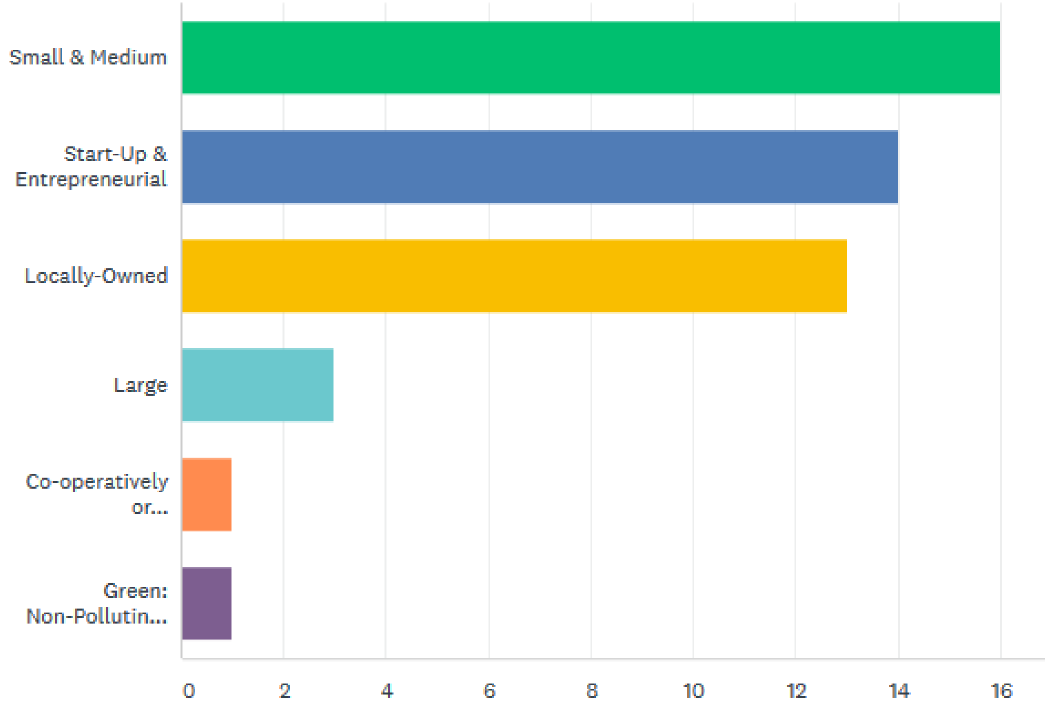
- **BCIC:** Vermont Training Program funds have been very significant in training/uptraining workforce in several key regional businesses over the past year. $630,000
- **BCRC:** I will defer to those on the RDC side for such an assessment.
- **BDCC:** CDBG has been extremely helpful, allowing to shrink appraisal gap to make projects pencil out. VEGI helps operating company better absorb increased expenses affiliated with their growth/project expenses
- **CVEDC:** VEGI
- **CVRPC**: TIF District in Barre allowed for infrastructure upgrades that encouraged development in the downtown area. While TIF is a financing tool, the infrastructure upgrades created an incentive to develop.
- **GMEDC:** BRELLA enabled Farmway in Bradford to expand significantly and continue to compete successfully with NH and web based retailers.
- **LCPC:** Compare vibrancy present in Village Centers with wastewater capacity such as Hyde Park Village, Johnson Village, and Jeffersonville with the decline of nearby Village Centers such as Cambridge Village, Wolcott Village that are in the same job and housing market areas but lack wastewater infrastructure.
- **NVDA:** Newport, Lyndon, and St. Johnsbury have adopted tax stabilization policies. (Hardwick may do so soon.) St. Johnsbury, Lyndon, Hardwick, and Barton all have revolving loan programs for businesses.
- **WRC:** New Market Tax Credits, Brownfields assessment and clean up funding.

PRIORITY BUSINESSES, JOBS, AND INDUSTRIAL CLUSTERS

Q16. What format of business does your region target the most *(check top 3 priorities)*

Response Count: 16 of 19

Summary. Ranked high to low. The regions identified small, medium, start-up, entrepreneurial and locally-owned firms as priorities. Additional comments noted a priority to attract Quebec-based businesses.



Others/Additional Comments:

- **NVDA:** Quebec-based businesses
- **SRDC & SWCRPC:** Object to this question as being unnecessarily slanted and not reflective of real development in Vermont, just idealized.
- **TRORC:** no targeting
- **WRC:** Considerable effort has gone into keeping existing businesses here.

Q17. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response above [on business formats]? *(optional)*

Response Count: 3 of 19

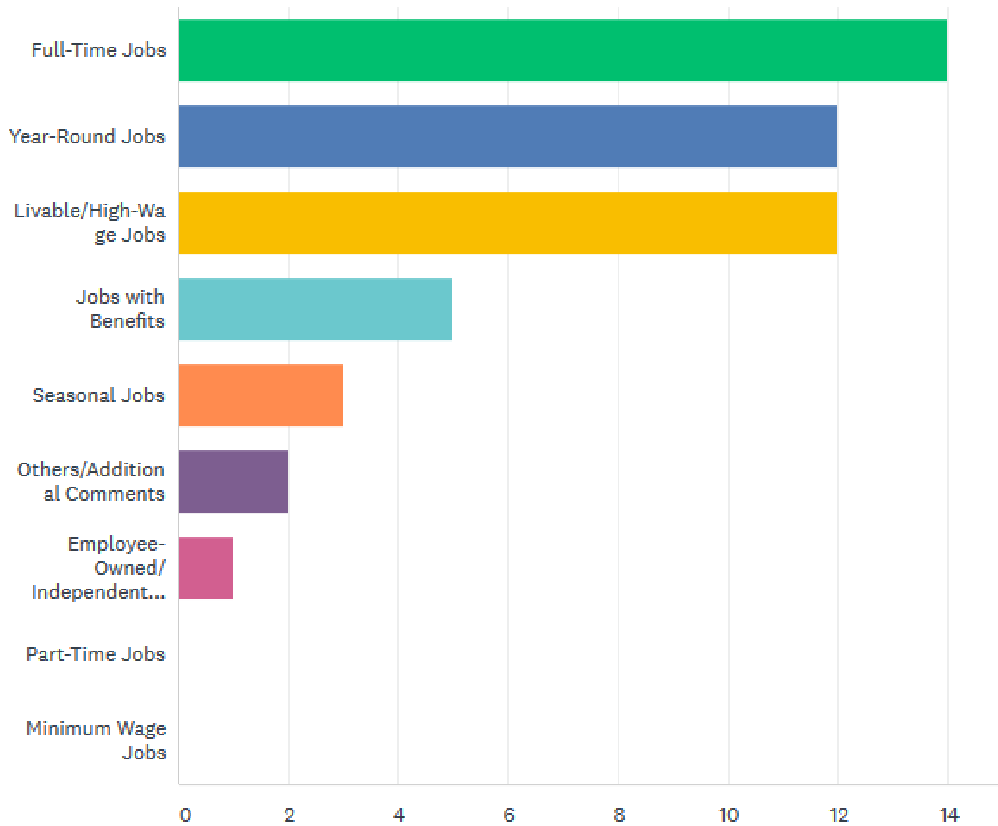
The Chittenden County CEDS does not prioritize businesses by size or ownership but does identify five target sectors for increasing the availability of high wage jobs: 1. Information technology, communications and media (including IT, e-commerce and digital media); 2. High value-added manufacturing; 3. Higher education; 4. Clean tech/green tech; 5. Health care. CCRPC

- **CCRPC:** The Chittenden County CEDS does not prioritize businesses by size or ownership, but does identify five target sectors for increasing the availability of high wage jobs: 1. Information technology, communications and media (including IT, e-commerce and digital media); 2. High value-added manufacturing; 3. Higher education; 4. Clean tech/green tech; 5. Health care.
- **WRC:** CEDS and WCEDP priorities
- **BCIC:** Both the Bennington Strategic Economic Development Plan and the Northshire Economic Development Study speak to the importance of improving the entrepreneurial ecosystem in the region and supporting the growth of locally-owned businesses that pay livable wages.

Q18. What type of employment does your region target the most? *(check top 3 priorities)*

Response Count: 18 of 19

Summary. Ranked high to low. The regions target full-time, year-round jobs with livable wages the most. BDCC notes that it targets jobs that increase the median wage for the region.



Others/Additional Comments:

- **BDCC:** Jobs that help increase the median wage for region
- **SRDC & SWCRPC:** another slanted question. There is a policy discussion to have (not the pervue of this survey) about how VT can better encourage ESOP's and access to capital for growth companies.

Q19. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response above [about jobs]? *(optional)*

Response Count: 3 of 19

Both the Bennington Strategic Economic Development Plan and the Northshire Economic Development Study speak to the importance of improving the entrepreneurial ecosystem in the region and supporting the growth of locally-owned businesses that pay livable wages. *BCIC*

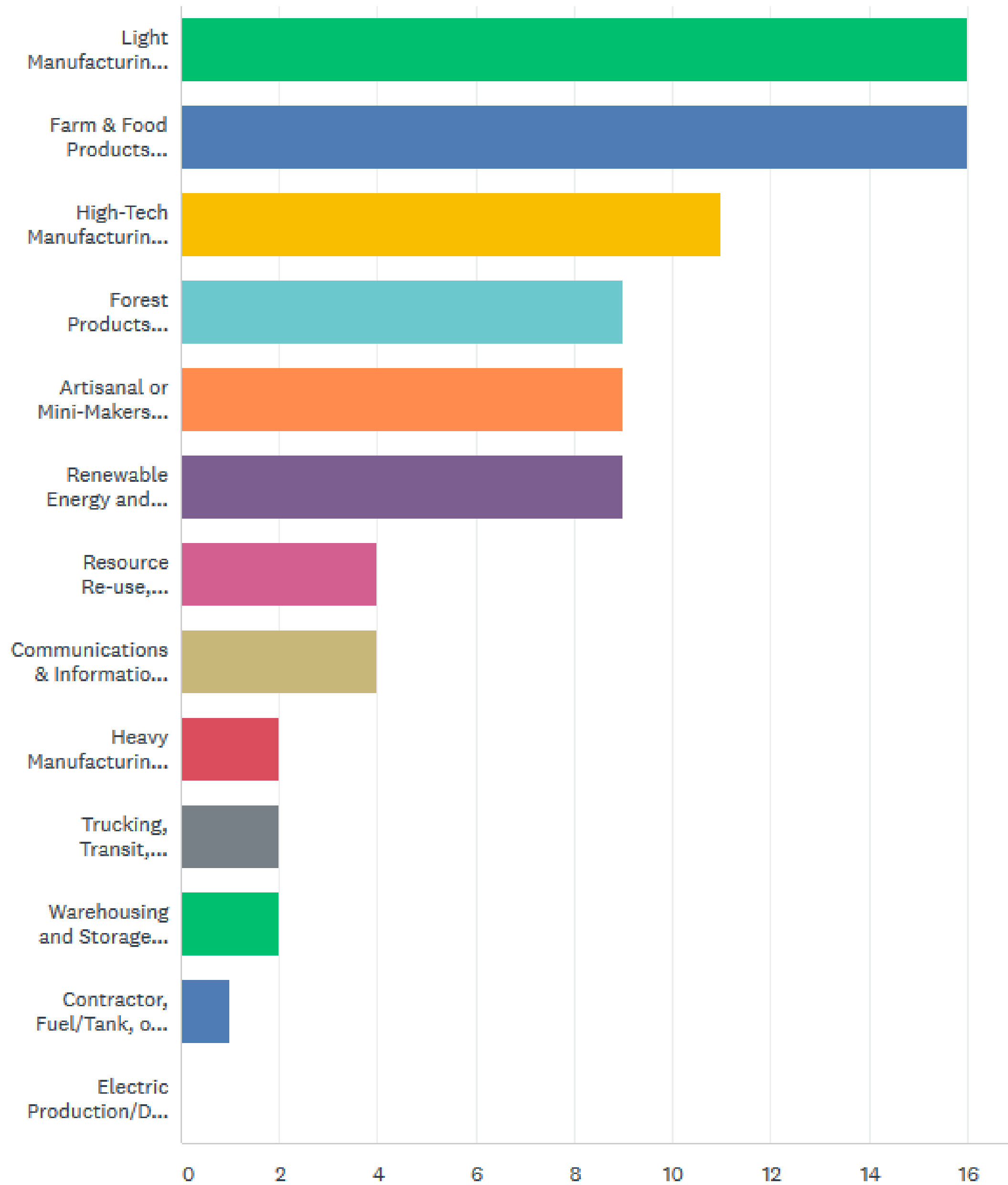
- **BCIC:** Both the Bennington Strategic Economic Development Plan and the Northshire Economic Development Study speak to the importance of improving the entrepreneurial ecosystem in the region and supporting the growth of locally-owned businesses that pay livable wages.

- **WRC:** Strong emphasis in CEDS and WCEDP priorities.

Q20. **Which industrial clusters does your region target the most** ***(check top 5 priorities)***

Response Count: 17 of 19

Summary. Ranked high to low. Light manufacturing and farm and food products were the clear sectors to target for strategic growth. Close behind were high-tech manufacturing, forest products, artisanal mini-makers, and renewable energy. Electric production and distribution ranked last. Some regions took issue with the word "target". The survey assumed that regional strategies would reflect feasible targets aligned with regional needs, not unattainable ideals unresponsive to on-the-ground realities; if a region has targets that are neither needed nor feasible, a strategic shift may be in order.



FULL TEXT (in order above)

Light Manufacturing (such as assembly or research and development)

Farm & Food Products Manufacturing (such as a brewery or specialty foods maker)
High-Tech Manufacturing (such as aviation, medical devices, or a semi-conductor)
Forest Products Manufacturing (such as a sawmill or wood pellets maker)
Artisanal or Mini-Makers (such as a maker space)
Renewable Energy and Energy Efficiency Enterprises (such as a solar panel manufacturer)
Resource Re-use, Recycling, Waste-to-Product Enterprises (such as a composting yard or recycling center)
Communications & Information Facilities (such as a server facility or cell tower)
Heavy Manufacturing (such as a car manufacturer)
Trucking, Transit, Freight, Rail Depot (such as a. freight depot)
Warehousing and Storage (such as self-storage)
Contractor, Fuel/Tank, or Maintenance Yards (such as an oil/propane distributor)
Electric Production/Distribution Facilities (such as electro-mechanical equipment or a biodigester)

Others/Additional Comments:

- **BDCC:** Value Added Food Manufacturing, Precision/technology driven Manufacturing, Optical
- **LCPC:** Target vs. what is locating in Region? Small, independent contractors are a critical source of local employment. Challenges arise when these contractors outgrow their garage but are not large enough for their own independent lot.
- **NVDA:** We will work with any business interested in the NEK region
- **SRDC & SWCRPC:** Another odd question.
- **WRC:** There's a difference between what the CEDS says we'd like to target and what we actually are able to target.

Q21. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response above [on clusters]? *(optional)*

Response Count: 17 of 19

Support efforts to ensure that the working landscape—including agriculture, forestry and value-added production—remains a key sector in the region's economy. Ensure that the existing vibrant base of businesses—including manufacturing, agriculture and related businesses, health care, retail and service industries, home-based businesses, telecommuting, and seasonal and tourist-based businesses—have knowledge of and access to existing resources. *NWRPC*

- **BCRC:** Section 6.6 of the Regional Plan includes policies for economic development, beginning with a statement that the region should capitalize on its natural assets and strengths and pursue economic development that is consistent with the region's character. Policy 5 speaks specifically to a focus on expansion of existing businesses, new businesses within established clusters, and entrepreneurial start-ups.
- **BDCC:** Windham Ceds Objective 3 Improve Wage parity with surrounding laborshed. Object 4 increase size and quality of workforce
- **CVRPC:** Policy 3: Focus retention, growth and development efforts on industries and businesses that are a good fit with the Region's existing economic base and support sustainable economic development. B. Support and encourage expansion in sectors that are poised for growth, such as: health care, high tech manufacturing, software development and information technology, value added agriculture, higher education and recreation and tourism. Policy 8: Support the continued use and sustainability of our natural resources and associated industries.
- **NWRPC:** Support efforts to ensure that the working landscape—including agriculture, forestry and value-added production—remains a key sector in the region's economy. Ensure that the existing vibrant base of businesses—including manufacturing, agriculture and related businesses, health care, retail and service industries, home-based businesses,

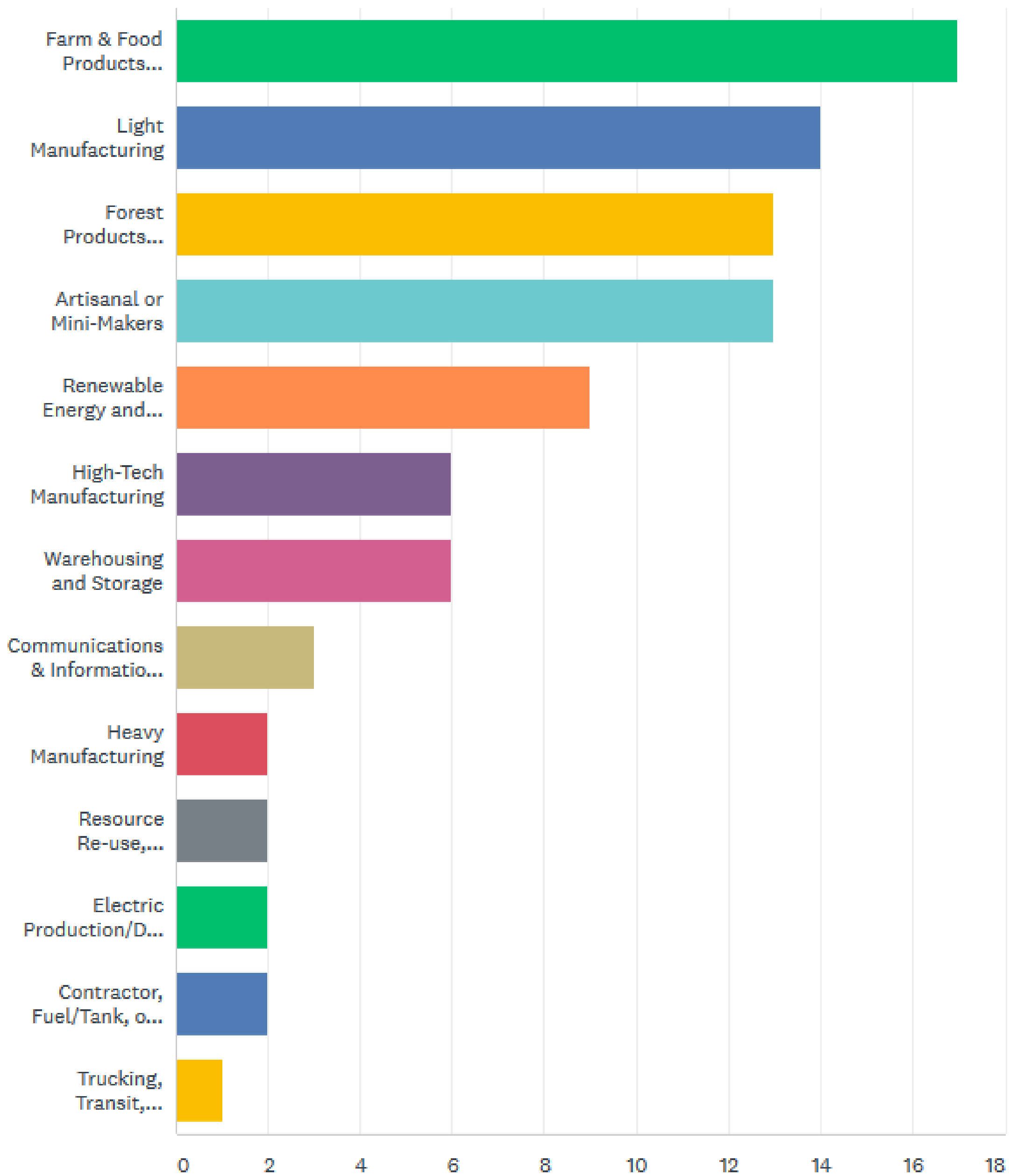
telecommuting, and seasonal and tourist-based businesses—have knowledge of and access to existing resources.

- **WRC:** Strong emphasis on manufacturing (esp. precision) and green building in CEDS.

Q22. Which clusters do you think would be most likely to develop in rural areas? *(check top 5 most likely)*

Response Count: 18 of 19

Summary. Ranked high to low. Rural targets closely followed the general trends above, although forest products, artisanal mini-makers, and renewable energy moved up in the rankings, while high-tech manufacturing moved down. Trucking, transit, and freight ranked last below contractor yards, electric production and distribution, resource-re-use and recycling, and heavy manufacturing. Comments noted that creating regulatory incentives for industrial parks that can be built out with self-storage may not be the most economically productive use of limited resources.



FULL TEXT (in the order above)

Farm & Food Products Manufacturing (such as a brewery or specialty foods maker)

Light Manufacturing (such as assembly or research and development)
Forest Products Manufacturing (such as a sawmill or wood pellets maker)
Artisanal or Mini-Makers (such as a maker space)
Renewable Energy and Energy Efficiency Enterprises (such as a solar panel manufacturer)
High-Tech Manufacturing (such as aviation, medical devices, or a semi-conductor)
Warehousing and Storage (such as self-storage)
Communications & Information Facilities (such as a server facility or cell tower)
Heavy Manufacturing (such as a car manufacturer)
Resource Re-use, Recycling, Waste-to-Product Enterprises (such as a composting yard or recycling center)
Electric Production/Distribution Facilities (such as electro-mechanical equipment or a biodigester**)**
Contractor, Fuel/Tank, or Maintenance Yards (such as an oil/propane distributor)
Trucking, Transit, Freight, Rail Depot (such as a. freight depot)

Others/Additional Comments:

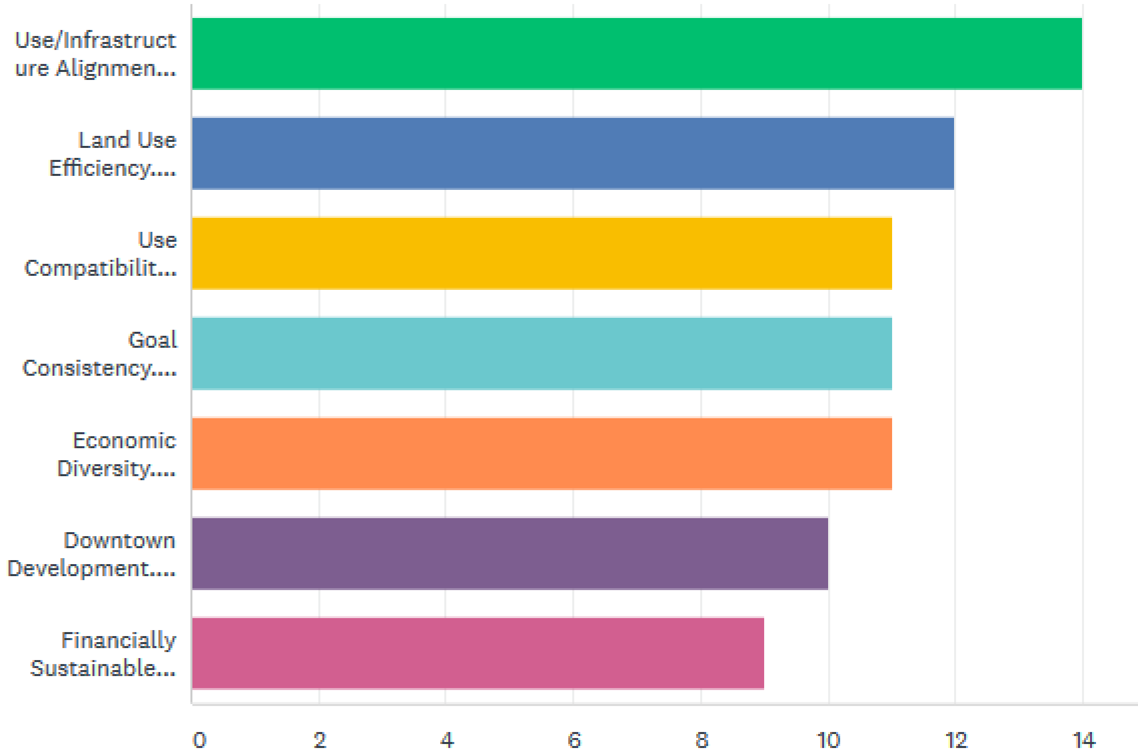
- **BDCC:** Value added food production
- **LCPC:** See comment about contractors above. Many of the lots within existing "industrial parks" are occupied by self storage units. Expedited permitting for self storage units will not create many jobs, but is a potential outcome of investing in new Industrial Parks without appropriate planning.
- **LCPC:** wood and forest product industries should be given special consideration [moved from Q2]

PLANNING & DEVELOPMENT PRINCIPLES

Q23. What land use planning & development values does your region emphasize for industrial development?

Response Count: 17 of 19

Summary. Values are ranked high to low below. Aligning uses with infrastructure was ranked as the highest planning value behind land use efficiency, use compatibility, and statewide goal consistency. Financially sustainable infrastructure, while supported, was ranked last in emphasis.



FULL TEXT (in order above)

Use/Infrastructure Alignment. Allowed uses should align with existing or planned infrastructure: energy, water, sewer, transportation, etc.
Land Use Efficiency. Development should be efficient, compact, and clustered.
Use Compatibility. Areas planned for industrial development and allowed uses should be compatible with and mitigate noise, emissions, light, visual, and traffic impacts to adjacent uses.
Goal Consistency. Development should be compatible with statewide planning and development policies.
Economic Diversity. Economic growth should result in a diversity of businesses that insulate the region from market swings.
Downtown Development. Industrial business parks should accommodate special uses and not undermine or compete with uses allowed within existing centers.
Financially Sustainable Infrastructure. Regulations governing subdivision design and buildout should generate enough new revenue to cover related new costs (ex. infrastructure, fire protection) without substantial subsidy from local tax payers.

Others/Additional Comments:

- **LCPC:** Only one Designated Downtown in Lamoille County. My response assumes that item #4 includes Village Centers.
- **WRC:** I assume it's obvious, but all of these tie to statutory planning goals.

Q24. Is there an example of a high-priority policy or finding from a regional plan, study, or report to support your response above [on planning values]? *(optional)*

Response Count: 15 of 18

Summary. Policies and findings provided in support of the land use values ranked above include a preference to steer development into areas planned for growth over scattered rural locations. Other goals include a diverse and sustainable regional economy.

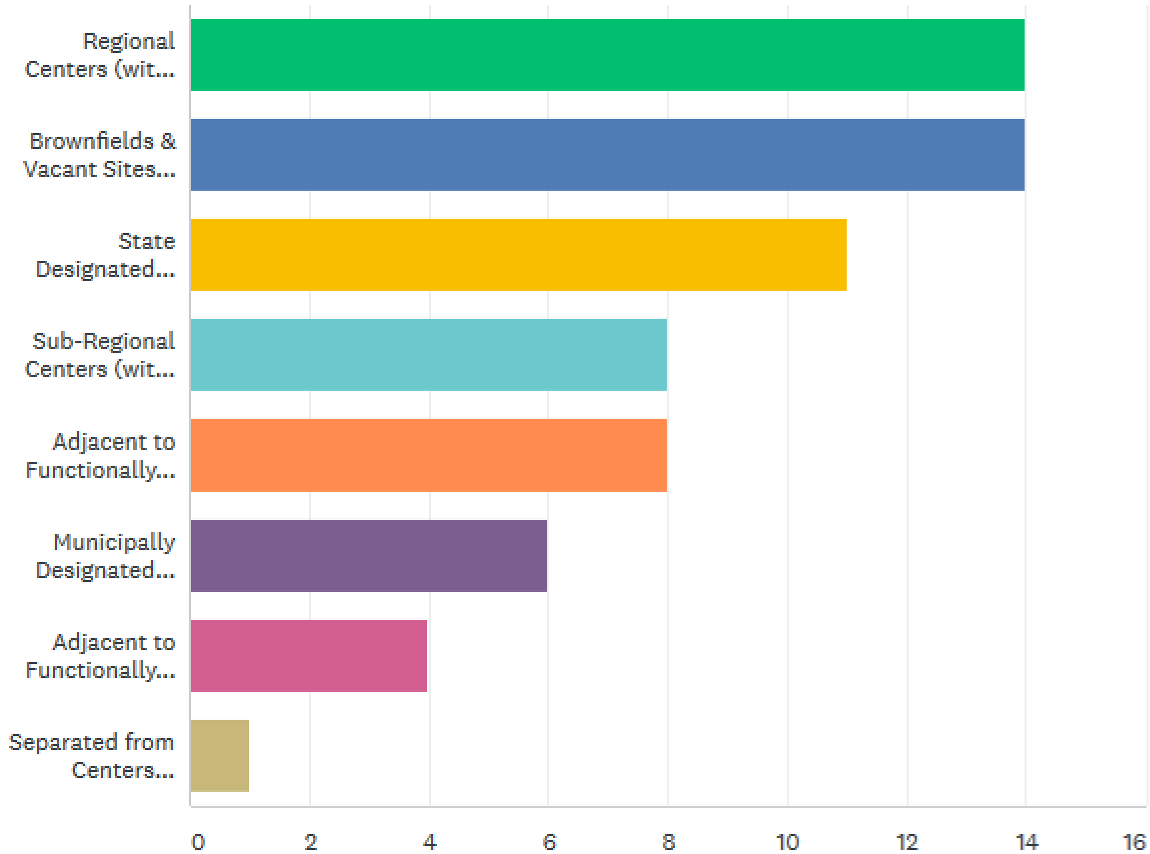
For uses that do not require a rural location, guide and assist commercial, industrial and institutional uses to locate in downtowns, villages and adjacent industrial areas, or at those locations in the fringe areas that have been significantly developed and are zoned for such purposes. *CVRPC. Policy 6, Action D*

- **BCIC:** The first two recommendations in the Economic Development Section of the Bennington County Regional Plan speak toward "supporting economic development that capitalizes on the region's strengths and provides opportunities for satisfying and economically rewarding career for residents" and "to develop and maintain a diverse sustainable regional economy".
- **BCRC:** The Regional Plan's Goal statements (Section 2.2) probably best address this question.
- **BDCC:** Windham CEDs Action 1.2.D In conjunction with WRC and BDCC, support towns incorporating the CEDS strategies as appropriate in their economic development planning.
- **CVRPC**: Policy 6, Action D. For uses that do not require a rural location, guide and assist commercial, industrial and institutional uses to locate in downtowns, villages and adjacent industrial areas, or at those locations in the fringe areas that have been significantly developed and are zoned for such purposes.
- **LCPC:** The Regional Plan is guided by the following three overall objectives: To guide growth into Center and Enterprise Areas: Centers may include new and existing settlements and range in size from small settlements such as Garfield in Hyde Park to the region's largest urban area of Morrisville. Centers can be as small as a country store, a post office, school or church, and a cluster of homes. Centers may also include the base lodge areas of resorts and appropriately located enterprise areas. Growth is most likely where there is adequate infrastructure to support it. Infrastructure upgrades and modernization will be critical to achieving this objective. To encourage compact development and protect the working landscapes: In recognition of the infrastructure limitations of many Centers, as well as the personal desires of many Lamoille County residents, it is likely that development will continue in rural areas of the County. Development in rural areas should be managed for efficient use of land: clustering to protect open space and the working landscape; shared facilities such as sewer, water, and roads; and avoidance of areas not suitable for development. To protect the region's natural systems and valuable agricultural and silvicultural resources: As discussed elsewhere in this Plan, Lamoille County's natural environment and diverse agricultural and silvicultural resources are among the assets that distinguish the region from other areas of the country and neighboring regions of Vermont. Protection of these resources will likely take a variety of forms – from stewardship by private landowners, to purchase of easements by conservation organizations, to fee simple ownership by municipal or State entities. In light of limited public resources, public conservation funds and mitigation efforts should be targeted toward those areas that best support the goals of local and regional plans.
- **NWRPC:** Multiple policies. See goals in Economic section starting on page 29 and Land Use on page 97.
- **WRC:** See prior citation from Windham Regional Plan.

Q25. Where does your regional plan prioritize industry?

Response Count: 17 of 19

Summary. The prioritized locations for industry are ranked high-to-low with regional centers, brownfields, state designated centers being the top three priority locations for industrial development. Comments emphasize infill and redevelopment over greenfield development and raise issues of use compatibility.



FULL TEXT (in order above)

Regional Centers (within or adjacent to development in major employment centers)
Brownfields & Vacant Sites (on legacy industry, infill, and adaptive re-use sites)
State Designated Areas (in downtowns, villages, new town centers, and growth centers)
Sub-Regional Centers (within or adjacent to development in minor employment centers**)**
Adjacent to Functionally-Dependent Transportation Infrastructure (airports, railways, interstate exits, border crossings, etc.)
Municipally Designated Areas (in areas defined by the municipality, not the region)
Adjacent to Functionally-Dependent Natural Resources (water, geology, timber, etc.)
Separated from Centers (greenfield development surrounded by farms and forest)

Others/Additional Comments:

- **BCRC:** Regionally and municipally designated areas planned for commercial/industrial use are generally consistent with each other.
- **CVRPC:** The treatment of natural resource-based industrial development will become a challenge for municipalities as their residents debate whether these types of businesses should be located near the resource or in/near development areas. [moved from Q30]
- **LCPC:** The Regional Plan does not use the terminology provided above, but rather Identifies "Center" and "Enterprise" Areas which are mapped on the Future Land Use Map. Response represents an interpretation of the Future Land Use Map. Plan also encourages development of exhausted gravel pits for industrial development.

- **WRC:** Emphasis is on redevelopment of already developed land. This includes Rural Commercial which may be considered "sub-regional centers" depending upon your definition. There's a lot of it. We generally discourage greenfield development because of the availability of already impacted sites.

Q26. What kind of industrial development is prioritized in the locations identified above in terms of use, scale, impact, and water/wastewater needs?

Response Count: 10 of 19

Regional Centers (within or adjacent to development in major employment centers)

> **Summary.** Industrial development was principally prioritized in regional centers, where high density manufacturing, a mix of uses, and large-scale enterprises are served by water, wastewater, and nearby housing.

- **BCIC:** Downtown redevelopment; mixed-use; commercial; industrial
- **BCRC:** Widest variety and relatively dense
- **CCRPC:** None, unless located in an area with existing industrial development. The 2018 ECOS Plan calls for regional centers to be a high-density mix of housing, jobs and community facilities (Center planning area).
- **CVRPC:** high density manufacturing and industrial uses
- **LCPC:** This area consists of Lamoille County's traditional village and downtown centers as well as areas identified as nodes for compact and/or mixed-use development in local plans. This area includes, but is not limited to, State "Designated Downtowns and Village Centers". In general, these areas contain the highest densities and greatest diversity of uses found in the County. While local plans may designate zoning districts with varying permitted uses (residential, commercial, etc.), the overall pattern of development within Center Areas is one of mixed uses. All areas within the Center Area shall be considered an "existing settlement" for the purpose of Act 250 review. In recognition of the significant difference in density and diversity of uses enabled by municipal sewage and water infrastructure, this area is divided into the following four distinct Planning Areas on the Future Land Use Map: Centers with Wastewater and Water Infrastructure Centers with Water but without Wastewater Infrastructure Centers with Wastewater but without Water Infrastructure (as of 2015, there are no such Centers in Region) Centers without Wastewater or Water Infrastructure
- **NVDA:** Industrial development that creates employment and utilizes infrastructure where public investments have been made.
- **WRC:** Large-scale industrial/commercial.

Brownfields & Vacant Sites (on legacy industry, infill, and adaptive re-use sites)

> **Summary.** While few specific forms of industrial development were identified for brownfields, they are identified as priority locations for industrial development in other parts of the survey.

- **BCIC:** Downtown redevelopment; mixed-use; commercial; industrial
- **BCRC:** Depends on location - have ranged from renewable energy development where resource is present to commercial/light industrial
- **CCRPC:** Action 2 of the Chittenden County CEDS prioritizes industrial development of any kind (allowable per local regulations) on vacant sites, including brownfields, that are planned and zoned for industrial use.
- **CVRPC:** appropriate to the brownfield/vacant site area
- **NVDA:** Industrial development that re-uses a contaminated propoerty(ies).
- **WRC:** Depends upon location within land use designation.

State Designated Areas (in downtowns, villages, new town centers, and growth centers)

> **Summary.** Prioritized uses in state designated areas include light manufacturing, high density manufacturing, compatible mixed-use development, and farm, food, and forest product enterprises.

- **BCIC:** Downtown redevelopment; mixed-use; commercial; industrial
- **CCRPC:** None, unless located in an area with existing industrial development. The 2018 ECOS Plan designates state designated areas as either Center, Metro or Village planning areas.
- **CVRPC:** high density manufacturing and industrial uses
- **LCPC:** Center Areas are generally larger than State Designated Areas, and include "edge" areas that can support light manufacturing and similar industrial uses.
- **LEDC:** Light manufacturing, farm & food products, forest products
- **NVDA:** Industrial development that is compatible with adjacent uses in the more densely developed downtowns and village centers.
- **WRC:** Light industrial

Sub-Regional Centers (within or adjacent to development in minor employment centers)

Summary. Mixed-use and light industry consistent with the character of Vermont villages were mentioned as priorities for sub-regional centers.

- **BCRC:** Diverse and lower density - consistent with infrastructure availability
- **CCRPC:** None, unless located in an area with existing industrial development. The 2018 ECOS Plan calls for sub-regional centers to be a mix of medium/high density jobs and housing (Metro planning areas) or medium density village areas with a mix of residential and nonresidential development with the character of a Vermont village (Village planning area).
- **CVRPC:** light industrial uses
- **LCPC:** See Above. Plan Does not differentiate between Regional Centers and Sub-Regional Centers
- **NVDA:** Industrial development that creates employment and utilizes infrastructure where public investments have been made. Likely, at a smaller scale than in regional centers.
- **WRC:** Mixed-use

Adjacent to Functionally-Dependent Transportation Infrastructure (airports, railways, interstate exits, border crossings, etc.)

Summary. While not a top priority, several regions prioritize development at airports, along railways, or near major highways -- some targeting specific uses like bulk storage. Interestingly, trucking, transit, freight, and distribution uses were not mentioned.

- **BCRC:** Emphasis has been on rail, especially for manufacturing and bulk storage. Industrial parks have been located near major highways - variety of uses, including small manufacturing.
- **CCRPC:** Action 2 of the Chittenden County CEDS prioritizes industrial development of any kind (allowable per local regulations) on vacant sites, including brownfields, that are planned and zoned for industrial use, especially when it is already served or near existing infrastructure.
- **LCPC:** Most appropriately defined as "Enterprise Area" The Enterprise Area contains areas designated for special uses that generate significant amounts of activity, such as industrial parks, airport facilities, ski resorts, etc. in municipal plans. While not directly connected to a Center or "existing settlement," these areas provide much of the Region's current and potential employment opportunities and are vital to the economic development of the region.
- **NVDA:** Aviation-related activities at the state airports or business activities that need to utilize rail or interstate infrastructure
- **WRC:** large-scale industrial/commercial encouraged adjacent to rail

Municipally Designated Areas (in areas defined by the municipality, not the region)

Summary. No specific types of industrial development were emphasized for municipally-designated areas, but policy advice to municipalities is provided in question 27 below.

- **CCRPC:** The 2018 ECOS Plan includes areas designated in the Enterprise planning area where existing industrial parks are located or planned outside of regional or sub-regional centers.
- **NVDA**: Industrial or commercial uses identified in local zoning
- **WRC:** Depends upon the municipality, but this will typically be light.

Adjacent to Functionally-Dependent Natural Resources (water, geology, timber, etc.)

Summary. Few regions prioritize industry next to functionally-dependent natural resources, those that did, mentioned that some value-added farm and forest production benefits when located nearby natural resources. (Industrial uses dependent on natural resources that were not mentioned include extraction processing activities.)

- **BCIC:** Those that draw upon the resources located nearby
- **NVDA:** Value-added agricultural or forestry
- **WRC:** Forest product processing.

Separated from Centers (greenfield development surrounded by farms and forest)

Summary. The lowest priority is locating industry in places separated from centers, although one response noted that this is a way to address activity impacts that are incompatible with adjacent uses. Another noted that their planning recognizes existing parks developed separate from regional or sub-regional centers.

- **CCRPC:** The 2018 ECOS Plan includes areas designated in the Enterprise planning area where existing industrial parks are located or planned outside of regional or sub-regional centers.
- **NVDA:** Industrial activities that may be incompatible with adjacent uses
- **NWRPC**: None
- **WRC:** None (other than redevelopment within Rural Commercial, in which case mixed-use)

Others/Additional Comments:

- **GBIC.** Industrial development is market driven, guided by policies adopted by local zoning and permitting.
- **NVDA**. Actual allowed uses are often determined by local zoning.
- **NWRPC:** The plan is generally not that detailed.

Q27. What industrial development policies, if any, do you provide to guide and coordinate municipal decisions?

Response Count: 10 of 19

Summary. Many regions offer policy advice to their member municipalities. Several responses provide specific land use and economic development policies in the regional plans, such as NVDA, which encourages the use or re-use of existing buildings and infill in developed areas -- or LCPC, which encourages allowing some industrial uses as permitted uses, rather than conditional uses.

Locate industrial development first in existing industrial areas. Ensure that industrial growth outside of existing industrial areas is located near or within growth areas designated in the municipal and regional plan, on property with sufficient infrastructure. *NWRPC*

- **BCIC:** Section 6.5 of the Bennington County Regional Plan provides 8 recommendations to communities for Achieving a Sustainable Regional Economy.
- **BDCC:** Windham CEDs Action 1.2.D In conjunction with WRC and BDCC, support towns incorporating the CEDS strategies as appropriate in their economic development planning.
- **CVRPC:** Policy 1. Industrial uses are encouraged to locate first in existing industrial areas and secondly in industrial areas assigned in municipal plans which are in accordance with the goals and policies included in this plan.
- **GMEDC:** We volunteer to discuss prospective planning objectives with municipal officials and our RPC collaboratively and early on.
- **LCPC:** Within zoning districts designated primarily for industrial development, municipalities are encouraged to consider allowing some industrial uses as permitted uses rather than

conditional uses. In such areas, municipalities should also consider measuring performance standards such as noise from the boundary of the industrial district rather than property lines within the district. In recognition of the need for “shovel ready” industrial land in Lamoille County, offsite mitigation should be allowed for any development that is primarily industrial in nature or will provide infrastructure needed to support industrial development (such as warehouse, distribution, and port facilities). Such mitigation should follow the minimum ratio required by statute.

- **LEDC:** This is provided by the regional planning commission
- **NVDA:** NVDA encourages the use or re-use of existing buildings for businesses looking to locate in the region. If a business prefers to build new, we encourage building on an existing site in or near an already developed area (in-fill).
- **NWRPC:** Locate industrial development first in existing industrial areas. Ensure that industrial growth outside of existing industrial areas is located near or within growth areas designated in the municipal and regional plan, on property with sufficient infrastructure.
- **SRDC & SWCRPC:** Ensure consistency between town plans and regional plan - coordination between towns, RPC and RDC.
- **WRC:** Regional Plan and CEDS exist as guides.

Q28. Is there an overarching regional plan policy on industrial development you would like to emphasize for the working group? *(optional)*

Response Count: 16 of 19

Summary. Policies emphasized here (and other parts of the survey) request the working group to preference existing the designations and develop industry in compact areas served by infrastructure before opening new areas and building new infrastructure. One response emphasized that a new designation should not undermine other designated areas or Vermont’s land use and development goals. Several respondents emphasized stakeholder partnership and collaboration to advance growth, saying that industrial areas in municipal plans should be consistent with regional plans. Another said that flexibility is needed to allow municipalities to act independently from regional policies.

Industrial/business parks should be sited in locations served by major federal or state highways, airports, or railroads. Industrial/business parks are encouraged to be densely developed while allowing enough space for business expansion. Infrastructure (water, sewer, and electric power) connections designed to serve industrial parks should not contribute to strip development outside of the industrial parks. *NVDA*

- **BCIC:** Industrial development should occur to the extent possible in areas with existing infrastructure to support the development envisioned.
- **BDCC:** CEDS 1.1.B Institutionalize a culture of collaboration across boundaries by formalizing connections as a regional subject matter expert of economic and workforce development professionals and educators drawn from across the region in collaboration with BDCC WRC and staff to share knowledge and opportunities to advance the pace of regional and local economic development.
- **CVRPC:** 1. Industrial uses are encouraged to locate first in existing industrial areas and secondly in industrial areas assigned in municipal plans which are in accordance with the goals and policies included in this plan.
- **GMEDC:** We should provide flexibility for instances where towns prefer something frowned upon or prohibited by their regional plan or NAR policy. They often have compelling reasons for advocating in sympathy with ACT 250 applicants who are denied. We see this as being akin to a Conditional Use permit locally.
- **LCPC:** In no case should any regulatory, financial incentives, or technical assistance incentive be granted to new "Industrial Parks" that are not also granted to other designated

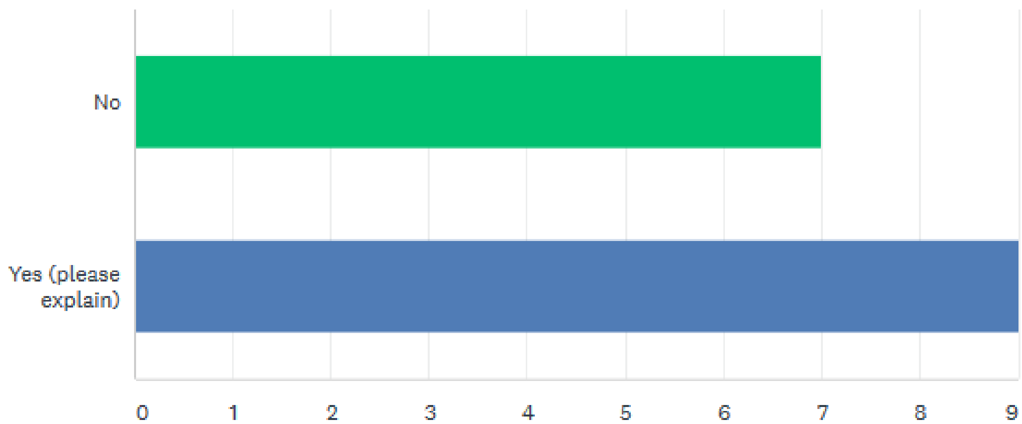
areas, including Village Centers. Doing so would have the unintended consequence of drawing development out of Village Centers. Not only would this be contrary to State Planning Goals, it would exacerbate and accelerate the hollowing out of the economy in many rural communities.

- **NVDA:** Industrial/business parks should be sited in locations served by major federal or state highways, airports, or railroads. Industrial/business parks are encouraged to be densely developed while allowing enough space for business expansion. Infrastructure (water, sewer, and electric power) connections designed to serve industrial parks should not contribute to strip development outside of the industrial parks.
- **NWRPC:** Locate industrial development first in existing industrial areas. Ensure that industrial growth outside of existing industrial areas is located near or within growth areas designated in the municipal and regional plan, on property with sufficient infrastructure.

Q29. Are there emerging or unanticipated trends prompting your organization to consider a strategic shift in your region's priorities?

Response Count: 16 of 19

Summary. While many regions have stable conditions, others are observing new trends and considering strategic shifts. Trends include: lack of job training, affordable housing availability, workforce aging, childcare availability, stormwater regulations that shift roadway investments to remote roads over economic centers, the decline of dairy farming, transitions and expansions in the energy sector, inter-regional partnership, commuter rail, remote working, natural resource-based industry change, and the shift from manufacturing to information and technology.



- **ACEDC** Decline of dairy/farming; renewable energy
- **BCRC:** Transitions in the energy sector, broadband and dispersed work locations, natural resource based industries.
- **BDCC:** Moving to a 2 county, SoVermont CEDS- still in the works!
- **CVRPC:** Childcare & housing availability and social challenges
- **GBIC**: While manufacturing is still important, the trend is to more technology and information management companies. There needs are much different from buildings and services to labor force.
- **LCPC:** MRGP is requiring communities to shift investments to remote roads rather than Centers.
- **NWRPC:** availability of workforce is expected to become a bigger constraint on workforce.
- **TRORC:** lack of job training and affordable housing and workforce aging
- **WRC:** Potential for commuter rail extending to Greenfield, MA close to our southern border is leading us to consider what might commuter rail service to the Windham Region look like within 10 years.

Q30. Please list anything we overlooked in this survey and any other ideas you believe would improve the quality and quantity of industrial development in rural Vermont.

Response Count: 13 of 19

Summary. Respondents provided diverse feedback: from the need to include larger towns in the program to requiring that State permits be issued within a specific period (as is required at the local level). Expanding on wastewater concerns expressed earlier in the survey, one region emphasized that a designation will not overcome the decades-long pattern of rural disinvestment until Vermont moves away from the current loan-based wastewater model. Feedback included the need to identify the problems and alternatives before jumping to a new designation as the right tool since other options may be more effective, such as master planning that addresses permitting issues on the front end and the need for planning assistance that guides best-practice industrial development.

Lack of wastewater capacity in rural Villages is not an issue inhibiting economic development in rural areas -- it is THE issue. *LCPC*

- **BDCC:** I have completed these questions as if I was answering for the entire region, not exclusive to towns under 5,000. Many of these questions/answers would not apply to remote towns, 30 minutes from highway, etc.
- ~~**CVRPC:** The treatment of natural resource-based industrial development will become a challenge for municipalities as their residents debate whether these types of businesses should be located near the resource or in/near development areas.~~ [moved to Q25] Final remark -- lack of wastewater capacity in rural Villages is not an issue inhibiting economic development in rural areas -- it is THE issue. Until Vermont offers alternatives to the current loan-based model -- a model unusable for communities that lack robust enough grant lists to support bonding, the decades long pattern of rural disinvestment will continue -- regardless of any regulatory reforms or new designation programs.
- ~~**GBIC**: Expedited local permitting and blanket permitting that would carry forward as a presumption for state permitting.~~ [moved to Q13]
- ~~**GMEDC:** Gap funding to support financing for new projects for an initial period (5-10 years perhaps - will vary) when they appraisals can't support the LTV ratio. Some companies are sufficiently strong to afford the annual debt payments but don't have the capitol to invest in the property upfront~~. [moved to Q13]
  LCPC: In developing any policy, it is important to identify the problem and alternatives first. There may be other approaches other than a new designation to address the stated policy objective. Notably: • Master Planning – Consider whether revisions to the Act250 “master planning process” would accomplish similar goals as a designation: 1) Stormwater – Can “parks” be planned/designed so that stormwater is managed/treated at an area wide scale rather than being left as a responsibility of future lot owners. This would require including larger stormwater treatment facilities upfront, but would reduce future development costs. 2) Allow identification of “development sites” rather than detailed designs of parking, loading, building areas. • Planning Assistance – perhaps more than a designation, communities need guidance on how to properly plan for and encourage industrial development. There is lots of guidance (some of which is unheeded in many communities) about ways to encourage Village and Downtown scale mixed use development, but little guidance on planning for industrial development
- **NVDA:** Under the requirements of T24, Ch117, local zoning administrators and development review officials have time limits for action once a complete application is submitted. The same should be required for state permitting processes.
- **NWRPC:** Ownership of industrial parks matter. Publicly owned industrial parks do a better job at maintaining communities' best interests and attracting high-wage jobs. The same cannot be necessarily said for privately-owned industrial parks.
- **SRDC & SWCRPC:** Again this is a joint reply from SRDC & SWCRPC.
- **TRORC:** job training and workforce aging.

- ~~**WRC:** In a very hilly region with a long history of industrial development such as the Windham Region, incentives to redevelop existing industrial sites would be helpful as most of the best sites have already been developed.~~ [moved to Q13]

THANK YOU

APPENDIX 9: SUBMITTED COMMENTS

The following comments were submitted to Deputy Secretary Brady.

Peter G. Gregory, Executive Director, Two Rivers-Ottauquechee Regional Commission
November 29, 2018

I have never been a fan of fee reductions for two reasons. One, over time, it starves state agencies with the funding they need to carry out their work. Doubly a concern when we have a Governor who will not even entertain a fee bill for political reasons (ANR last year) when a fee increase is warranted. And two, I remain unconvinced that a reduction in fees actually spurs new investment, rather than just reducing developer costs at the expense of general taxpayers. Too often, a high profile, isolated situation drives state policy. This is wrong and should be called out as something we all are not going to entertain.

Curter Carter, Senior Vice President, Greater Burlington Industrial Corporation
November 28, 2018

Thank you for the opportunity to provide feedback regarding the upcoming Act 194 Committee Meeting.

The draft language regarding master permit application fees and requests for fee waiver may provide some relief from financial burdens of developing an industrial park. I did note in the draft that this change was not targeted towards industrial park development.
If the goal is to encourage well planned economic development through thoroughly reviewed industrial parks a cap on fees might have a more desirable impact. I would suggest something like $1000 to $2000. It makes no sense to penalize high quality or specialized construction with a higher fee. The historical industrial park fee summary points out some of the absurdly high fees that have been required. The same normal, administrative, minor amendment review process is used whether the project is cheap or expensive. Compare some of the fees and try to understand any justification.

Perhaps the most valuable industrial park incentive would be for the park to be able to obtain a comprehensive master plan approval and then have future buildings in the park approved with and administrative amendment under Act 250 as long as those building fully complied with the established impacts approved in the master plan and park covenants.

Seth Jenson, Senior Planner, Lamoille County Regional Planning Commission
November 28, 2018

- *The report suggests improvements to the master plan process, including allowing administrative amendments for new development that conforms to the Master Plan. This could actually be very beneficial for both Village and Industrial Park locations. I could see applying this to the Airport, Buck's in Wolcott, Johnson Industrial Park, and the Talc Mill/Lumber Mill in a way that is beneficial for the region. The advocates have pointed out this could also be used in very sensitive* *areas such as high-altitude ski resorts. That aspect needs some more thought, though the Lamoille County Regional Plan treats ski resort base areas as "enterprise areas," so while I have personal concerns, I believe that expediting permitting in these areas does conform to our Regional Plan policies.*

- *The "example" industrial parks are in St. Albans, Rutland, and St. Johnsbury. A few things to consider:*
  - *none of these are "rural towns" per CH117 (granted, Act194 used a broader definition of "rural"*
  - *all have existing public sewer/water, and (c) all also have designated downtowns.*
  - *St. Albans and St. J also have immediate access to an Interstate, and Rutland is at the intersection of Route 7 and Route 4.*
- *This feeds into the concern that that the focus on "industrial parks" rather than reinvestment in Village Centers could actually exacerbate the hollowing out of the economy in truly rural communities. The remaining comments relate to this concern.*
- *The report noted that workforce, housing, and childcare are all greater concerns for economic development than permitting. Industrial park style development will not address these needs, while investing in Village infrastructure would address all of them.*
- *In several locations, the report discusses "garage startups," "artisanal mini-makers," and "small-to-medium firms." Many such businesses simply cannot afford the capital cost of their own building, parking lot, etc. in an industrial park, but could afford space within a mixed use building in a Village (for example, the former bucks warehouse in Wolcott or granary in Jeffersonville). Businesses of this scale sometimes benefit from a mixed-use development pattern by renting space to other uses. A prime example of this the drum maker in Cambridge Village who rents a small apartment above his workshop. The rent from the apartment covers the mortgage of the building, allowing the business to pay for the business. The report acknowledges this toward the end, but does not suggest that any of the financial incentives offered to industrial parks should be offered for redevelopment in Village Centers.*
- *The report suggests Act250 and fire safety fee reductions within master planned industrial parks. The small reduction in fees may be negligible for larger developers, but can have a significant impact on smaller businesses – especially startups. These fee reductions should be extended to development within Village Centers.*
- *The report also suggests expanding the VEDA deferred loan program. The program is only available to RDCs, and essentially deferred loan repayment until the development is occupied. I have long posited that a similar loan deferral program could be extremely valuable in assisting with developing Village water and wastewater infrastructure – since the current ANR model is fatally flawed in that loan repayment begins immediately, and thus Village rate payers end up paying high user fees to cover the cost of unallocated capacity. This translates into higher costs of doing business and higher costs of living in the Villages. There needs to be a more comprehensive discussion that considers needs of rural Villages before implementing this proposal.*

Kate McCarthy, Sustainable Communities Program Director, Vermont Natural Resources Council
November 6, 2018

We've reviewed the draft proposal presented to the Act 194 working group on October 25th, including the statutory and rule language in the draft meeting minutes. Thank you for providing these. We recognize that this is an initial proposal, and that more work will likely be done. However, since the working group will not have an opportunity to discuss or vote on the proposal before your expected November 8th presentation to the Act 47 Commission, we wanted to provide some initial comments. We hope these will help inform your representation of the group's range of thinking on the work so far.

The primary proposals, as we understand them, are to a) update statute to say that a master planned project with findings on all criteria may have subsequent construction permits approved as administrative amendments, provided there are no changes that affect the findings; and b) clarify and improve the process for requesting a reduction or waiver of Act 250 application fees.

Before commenting on the proposals, we want to note several findings from the group's research, which included the industrial parks survey of the regional planning commissions and regional development corporations, and the survey of permit fees at three sample industrial parks. What we took away from that research was that:

- ***The highest demand is for turn-key sites.** The survey suggests that rather than permitting explicitly, rural industrial park development is hindered by a) the high costs of predevelopment engineering work, and b) the fact that the rents that would be borne by the market do not cover development costs, which makes it challenging to provide the turn-key sites desired by businesses.*
- ***Permitting challenges and fees are not among the top five barriers to industrial development.** The top five constraints identified in the survey as barriers to industrial development were workforce availability, readiness, and skills; available housing mismatched with demand; social challenges; child care/dependent care availability/affordability; housing affordability; and adequate capital based on appraisal levels. Permitting fees only appear as #7.*
- ***Permitting was identified as a possible and desirable incentive, but not a primary one.** Of the top ten desirable incentives identified by RPCs and RDCs, changes related to permitting were #4 (permit fee reductions), #6 (permitting efficiency), and #8 (pre-clearance permitting), behind brownfields incentives, special assessment districts, and state infrastructure bonding support.*
- ***The average permit fees for both Act 250 and the Division of Fire Safety in the three sample cases ranged from $1,072 to $7,197, but the median ranged from $274 to $617.** While high permit costs for individual projects can draw attention, evidence from this sample group of three industrial parks shows the problem not to be widespread.*
- ***The industrial parks reviewed averaged fewer than two Act 250 permits or permit amendments per year.** Over the lifetime of each of the industrial parks, St. Johnsbury averaged 1.28 permits per year; Rutland had 1.11; the St. Albans Industrial Park had 1.82; and the combined average was 1.43.*
- ***Priority locations identified in the survey have the potential to build on community assets.** Regional centers, brownfields and vacant sites, and state-designated areas are among the "priority locations" for rural economic development, which is compatible with the top three desired incentives and, potentially, smart growth development patterns.*

These results provide insights regarding the extent to which the Act 250 permit process and fees affect industrial park expansion, and strongly suggest that the impacts of Act 250 are limited. Because of this, we wonder whether the proposed changes to master planning and fees will ultimately be meaningful to applicants or really create the predictability and affordability applicants often seek. Even so we offer the following feedback on the specific proposals.

- ***Updates to process for fee reduction:*** *Clarifying the existing process is a positive step. However, the criteria for fee reduction require that a district commission "consider" certain factors, but does not provide standards for how those factors must be addressed to waive a fee. We are concerned that this creates vagueness for both applicants and reviewers.*
- ***Concern about impacts of fee reduction.*** *We remain uneasy about how reduced fees for applicants reduce the resources that reviewers have to do their jobs.*
- ***Lack of link to industrial parks:*** *The master planning changes and the fee waiver update do not appear to be tied to just industrial parks. We're unclear about how these changes would be applied to very different types of projects – ski areas and residential development, for example – and whether they would be appropriate.*
- ***Several parts of the proposal seem worthwhile.*** *Our preliminary understanding is that there is a fairly high bar that must be met through master planning to then obtain construction permit as an administrative amendment. In addition, the clarifying language that "An applicant can seek a master plan decision regarding future phases of a phased development even if some portion of the development has already been built, provided that the existing development complies with Act 250," could be helpful.*

We appreciate that the Working Group recognizes that there is no silver bullet for something as complex as land use and catalyzing economic development. Still, while changes to the master planning process and fees may be decisive actions, it is fair to question whether they will yield the desired results for the effort. In addition, we do not see strong evidence that fee reductions and permitting changes would be the most impactful solutions to rural economic development, compared to the need for long-term investments in the also complex challenges like workforce readiness, housing, and child care. We recognize that there is a desire to identify tangible impacts for the near term, but hope that our shared efforts to support rural economic development continue to look at and invest in the real needs.

Thank you for taking these comments into consideration. Please feel free to let me know if you have any questions.

Kate McCarthy, Sustainable Communities Program Director, Vermont Natural Resources Council
August 17, 2018

Thank you for hosting last month's Act 194 Work Group meeting. We look forward to contributing our perspective as a non-government environmental organization.

In your July 13th, 2018 follow up email to the meeting, you asked group members to share their thoughts on "data needs and finds, uses and locations to promote, and possible incentives," in order "to help staff *inventory economic development needs and sectors that are a good fit for rural Vermont, review asset maps, and suggest possible approaches and tools." To that end we'd like to offer the following ideas and feedback.*

__Data needs and finds__

We support the group's effort to identify the types of businesses and uses likely to develop in rural areas before identifying optimum locations and incentives.

In addition, in order to ground the conversation, we suggest that the assessment include some very basic information that quantifies the current demand for space, based on inquiries received by business development groups, for example:

- *When businesses contact the state, or a regional development corporation, for assistance finding space, what are they seeking in terms of space and infrastructure? What types of businesses are they? Where do these businesses ultimately locate?*
- *How much vacant or re-developable space exists in existing industrial parks, and within existing settlements?*
- *What types of businesses are currently in industrial parks? Are they business types that require the traditional industrial park setting, or are there opportunities for these businesses to enhance our existing settlements?*
- *How frequently do businesses seek to expand within existing industrial parks?*
- *It is also worth acknowledging that there are likely many small scale rural businesses looking for space who may not have sought assistance, either due to lack of awareness of capacity. While it is a classic quandary – you can't measure what you don't know about – it is nevertheless worth keeping this slice of the business community in mind, particularly when making an effort to identify those small-scale businesses that could be compatible with existing downtowns and villages.*

We are aware that several examples of need were provided by individual businesses during the legislative session, but the review suggested above will ensure that any policies are based on information that is more broadly representative.

Lastly, it would be useful to the overall conversation if the working group could discuss how this initiative relates to the state's Comprehensive Economic Development Strategy.

__Uses and locations to promote__

When it comes to promoting particular uses in support of rural economic development, we support focusing on those uses which build on Vermont's unique assets, including (as suggested) value added farm and forest enterprises, and others. We also strongly suggest that, given the frequency with which the term "rural economic development" is used, the Administration craft a working definition of precisely what this means.

Regarding locations, it is a primary goal of VNRC that this process not result in the promotion of outlying locations that require the extension of services, can only be accessed by driving, and that fragment the *landscape. Working group discussions thus far suggest that these goals are shared, and that there is a willingness to look beyond the industrial park model of past decades. We hope this will continue.*

Many desirable uses are cleaner, quieter, and less impactful than in the past. As a result, we feel that locations adjacent and connected to downtowns and villages provide a promising opportunity for industrial/commercial development. This would not only provide jobs, but would build on and enhance our existing community assets. Appropriate industrial/commercial development could also catalyze investment in local water and wastewater infrastructure, which many Vermont villages need but are challenged to finance. Coordination that enhances existing state designated areas should be prioritized within any incentive structure that is developed in this process.

<u>Possible incentives</u>
During the discussion at our first working group meeting, streamlined regulations (or exemptions) and reduced permitting fees were identified as two possible "incentives" to support economic development in rural areas. As the group continues to explore options, we want to register some concerns, and provide some suggestions.

***Regarding regulation streamlining or exemptions, we strongly caution against communicating that "lack of regulation" should be considered a proactive incentive for economic development.** While environmental and other reviews create additional steps in project development, they also add value for Vermonters by ensuring that a given project operates without harming people or the environment. This is particularly important for more intensive uses, which are often located in industrial parks. In addition, we reject the premise that regulatory programs are a central issue for industrial development in Vermont and that weakening regulations should be the focus of any effort to promote industrial development in Vermont.*

*VNRC **also feels strongly that any fee reduction must not reduce the ability of agency staff to do their jobs**. Fees that are insufficient to cover the cost of program administration could deprive state agency staff of the funds needed to fulfill their basic functions. This could risk creating permitting delays, incomplete reviews, and reduced transparency – outcomes that could outweigh the benefit to the applicant of reduced fees. We ask that, before any reductions are proposed, fee structures be examined, with particular attention to whether the fees currently being charged are fair and proportional to the work required. In addition, we disagree with the proposition that fees that support governmental programs are a significant obstacle for industrial development.*

Regarding incentives for the creation of infrastructure to serve rural businesses, incentives should not prioritize greenfield development over redevelopment in or near downtowns and villages. Incentives should also not be given for the extension of infrastructure that would encourage scattered development or the loss of farm land and other adverse impacts to natural resources.

Thank you for the opportunity to comment. Brian Shupe will attend the working group's meeting on August 29th and will be able to answer any questions as the conversation continues.

APPENDIX 10: DRAFT LEGISLATION

Bill AS INTRODUCED

H/S.

2018

Introduced by [name]

Referred to Committee on [date]

Date: [date]

Subject: Act 250; fees; master plan and partial findings; industrial parks

Statement of purpose of bill as introduced: The purpose of this bill is to respond to Act 194 of the 2017-2018 legislative session by clarifying what fees are assessed during the review of an Act 250 master plan application, when Act 250 permit fee reductions may be warranted, that an application for partial findings may be made after a portion of a project has been permitted and/or constructed.

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 10 V.S.A. § 6083a. Act 250 fees is hereby amended to read.

(a) All applicants for a land use permit under section 6086 of this title shall be directly responsible for the costs involved in the publication of notice in a newspaper of general circulation in the area of the proposed development or subdivision and the costs incurred in recording any permit or permit amendment in the land records. In addition, applicants shall be subject to the following fees for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the administration of the Act 250 program:

(1) For projects involving construction, $6.65 for each $1,000.00 of the first $15,000,000.00 of construction costs, and $3.12 for each $1,000.00 of construction

costs above $15,000,000.00. An additional $0.75 for each $1,000.00 of the first $15,000,000.00 of construction costs shall be paid to the Agency of National Resources to account for the Agency of Natural Resources' review of Act 250 applications.

(2) For projects involving the creation of lots, $125.00 for each lot.

(3) For projects involving exploration for or removal of oil, gas, and fissionable source materials, a fee as determined under subdivision (1) of this subsection or $1,000.00 for each day of Commission hearings required for such projects, whichever is greater.

(4) For projects involving the extraction of earth resources, including sand, gravel, peat, topsoil, crushed stone, or quarried material, the greater of: a fee as determined under subdivision (1) of this subsection; or a fee equivalent to the rate of $0.02 per cubic yard of the first million cubic yards of the total volume of earth resources to be extracted over the life of the permit, and $.01 per cubic yard of any such earth resource extraction above one million cubic yards. Extracted material that is not sold or does not otherwise enter the commercial marketplace shall not be subject to the fee. The fee assessed under this subdivision for an amendment to a permit shall be based solely upon any additional volume of earth resources to be extracted under the amendment.

(5) For projects involving the review of a master plan, the fee established in subdivision (1) shall be due for any portion of the proposed project for which construction approval is sought and a fee equivalent to $0.10 per $1,000.00 of total estimated construction costs in current dollars shall be due for all other portions of the proposed project. If construction approval is sought in future permit applications, the fee established in subdivision (1) shall be due, except to the extent that it is waived in accord with subparagraph (f), below.~~in addition to the fee~~

~~established in subdivision (1) of this subsection for any portion of the project seeking construction approval.~~

(6) In no event shall a permit application fee exceed $165,000.00.

(b) Notwithstanding the provisions of subsection (a) of this section, there shall be a minimum fee of $187.50 for original applications and $62.50 for amendment applications, in addition to publication and recording costs. These costs shall be in addition to any other fee established by statute, unless otherwise expressly stated.

(c) Fees shall not be required for projects undertaken by municipal agencies or by State governmental agencies, except for publication and recording costs.

(d) Neighborhood development area fees. Fees for residential development in a Vermont neighborhood or neighborhood development area designated according to 24 V.S.A. § 2793e shall be no more than 50 percent of the fee otherwise charged under this section. The fee shall be paid within 30 days after the permit is issued or denied.

(e) A written request for an application fee refund shall be submitted to the District Commission to which the fee was paid within 90 days of the withdrawal of the application.

(1) In the event that an application is withdrawn prior to the convening of a hearing, the District Commission shall, upon request of the applicant, refund 50 percent of the fee paid between $100.00 and $5,000.00, and all of that portion of the fee paid in excess of $5,000.00 except that the District Commission may decrease the amount of the refund if the direct and indirect costs incurred by the State of Vermont with respect to the administration of the Act 250 program clearly and unreasonably exceed the fee that would otherwise be retained by the District Commission.

(2) In the event that an application is withdrawn after a hearing, the District Commission shall, upon request of the applicant, refund 25 percent of the fee paid between $100.00 and $10,000.00 and all of that portion of the fee paid in excess

of $10,000.00 except that the District Commission may decrease the amount of the refund if the direct and indirect costs incurred by the State of Vermont with respect to the administration of the Act 250 program clearly and unreasonably exceed the fee that would otherwise be retained by the District Commission.

(3) The District Commission shall, upon request of the applicant, increase the amount of the refund if the application of subdivisions (1) and (2) of this subsection clearly would result in a fee that unreasonably exceeds the direct and indirect costs incurred by the State of Vermont with respect to the administration of the Act 250 program.

(4) District Commission decisions regarding application fee refunds may be appealed to the Natural Resources Board in accordance with Board rules.

(5) For the purposes of this section, a "hearing" is a duly warned meeting concerning an application convened by a quorum of the District Commission, at which parties may be present. However, a hearing does not include a prehearing conference.

(6) In no event may an application fee or a portion thereof be refunded after a District Commission has issued a final decision on the merits of an application.

(7) In no event may an application fee refund include the payment of interest on the application fee.

(f) ~~In the event that an application involves a project or project impacts that previously have been reviewed, the~~ An applicant may request in writing that a District Commission ~~petition the Chair of the District Commission to~~ waive all or part of ~~the~~ an application fee.

(1) In reviewing a request for a permit fee waiver, the District Commission shall consider the following factors:

(i) Whether a portion of the project's impacts have been reviewed by it, the Natural Resources Board, or the District Coordinator in a previous permit.

(ii) Whether the project is being reviewed as a major application, minor, application, or administrative amendment. Should the review of an application be changed from an administrative amendment or minor application to a major application, the Commission may require the applicant to pay the previously waived fee.

(iii) Whether the applicant intends on relying on any presumptions permitted under Section 6086(d) of this title and has, at the time of the permit application, already obtained the permits necessary to trigger such presumptions. Should a presumption be rebutted, the Commission may require the applicant to pay the previously waived fee.

(iv) Whether the applicant has engaged in any pre-application planning with the district coordinator that will result in a decrease in the amount of time the District Commission will have to consider the actual application.

(2) The District Commission shall issue a written decision in response to any application for a fee waiver. The written decision shall address each of the factors in subsection (f)(1).

(3) District Commission decisions regarding application fee waivers may be appealed to the Natural Resources Board in accordance with Board rules.

~~If an application fee was paid previously in accordance with subdivisions (a)(1) through (4) of this section, the Chair may waive all or part of the fee for a new or revised project if the Chair finds that the impacts of the project have been reviewed in an applicable master permit application, or that the project is not significantly altered from a project previously reviewed, or that there will be substantial savings in the review process due to the scope of review of the previous applications.~~

(g) A Commission or the Natural Resources Board may require any permittee to file a certification of actual construction costs and may direct the payment of a supplemental fee in the event that an application understated a project's construction costs. Failure to file a certification or to pay a supplemental fee shall be grounds for permit revocation. A written request for an application fee partial refund may be submitted to the District Commission to which the fee was paid within 90 days of the date an applicant files a certification pursuant to this section showing that the actual construction costs are less than the estimated construction costs upon which the original permit fee was calculated.

(h) The costs of republishing a notice due to a scheduling change requested by a party shall be borne by the party requesting the change.

Sec. 2. 10 V.S.A. § 8503(b)(1) is hereby amended to read.

(b) This chapter shall govern:

(1) all appeals from an act or decision of a District Commission under chapter 151 of this title, excluding appeals of application fee refund and waiver requests.

Sec. 3. Effective Date

This act shall take effect on passage.

ACT 250 RULE 21. Master Plan and Partial Review.

Purpose. This rule creates greater efficiency in the application review process, avoids unnecessary and unreasonable costs, and provides guidance and greater predictability to the applicant and all parties by providing for master plan decisions. Master plan decisions include partial findings of fact and conclusions of law for a phased development or subdivision and may also include a permit for the initial construction phase.

The comprehensive planning and specificity on which a master plan decision is based allows for greater certainty and expeditious processing of permit amendments for subsequent phases, with as many criteria as practicable having already been addressed by the master plan decision.

Master plan decisions expedite permitting of subsequent phases by addressing some criteria for the fully developed project. For example, a master plan decision for an industrial park could address the park's general impacts and these impacts would already be addressed for a manufacturer subsequently seeking to develop a lot in the park, thus saving time and money.

Additionally, partial review can continue independently of master plan review to determine whether a project complies with one or more Act 250 criteria. This allows cost-effective preliminary review that may determine whether a project is feasible in a particular location.

I. Master Plans

(A) *Applicability and effect*.

1) An applicant may seek review of a phased development or lot-by-lot build-out of a subdivision as a master plan decision.

2) Master plan applications shall be reviewed as a request for partial review under subdivision II of this rule.

3) An applicant may seek a master plan decision regarding future phases of a phased development even if some portion of the development has already been built, provided that the existing development complies with Act 250.

~~3~~4) The District Commission may require a master plan application that contains such information as the Commission requires for review if:

a) the applicant's proposed development or subdivision involves multiple phases; or

b) the master plan process would avoid or limit piecemeal review of development or subdivision planned by the applicant for the reasonably foreseeable future.

~~4~~5) Scope and Duration.

a) Master plan findings and conclusions may be sought on any issue under the criterion or criteria for which there is sufficient, reliable information to base findings and conclusions.

b) Master plan findings and conclusions shall be binding upon all parties pursuant to subdivision II (E) of this rule.

c) Master plan findings of fact and conclusions may be issued for a period of time that allows for reasonable investment certainty for a reasonable planning period for which potential impacts under a criterion can be ascertained. The District Commission shall consider the following factors in determining the period of time for which findings and conclusions shall be valid:

i. the quality and sufficiency of information provided to the Commission under each criterion for which the applicant has requested findings and conclusions; and

ii. the nature and context of the project.

d) Prior to expiration a master plan decision may be renewed and conditions updated, as appropriate. The District Commission may require information on which a master plan decision is based to be updated prior to granting any extension or renewal.

(B) *Applications*.

An applicant seeking a master plan decision shall, in addition to filing an application in accordance with all other applicable requirements, detail, to the extent known with reasonable certainty, all project phases for which the applicant is seeking a master plan decision, the fully completed project, and the project timeline, and the criteria under which the applicant seeks review.

Subsequent phases or the development of individual lots of a subdivision may be approved as amendments. The amendment process shall be conducted in conformance with the terms of Rule 34, all statutory requirements, and the following:

1) The District Commission may require persons other than the applicant to be co-applicants in pursuant to Board Rule 10; and

2) Amendments of master plan decisions shall detail the effect on all overall limits or any impact budget set by the master plan decision.

(C) *Master plan decisions*.

1) Development or subdivision associated with any aspect of a master plan project shall not commence until a permit specifically authorizing the development or subdivision has issued.

2) The District Commission may issue a master plan decision with partial findings of fact and conclusions addressing one or more criteria for subsequent phases of a project. Master plan decisions shall, to the greatest extent possible:

i. establish an impact budget addressing overall limits for the full project build-out (including but not limited to wastewater, water supply, vehicle trips, etc.) based upon findings of fact under the relevant criteria;

ii. establish a procedure for evaluating subsequent phases of the project against the impact budget;

iii. provide guidance to the applicant and identify information that may be required by the District Commission to issue affirmative findings and conclusions for subsequent phases.

3) If the District Commission has issued affirmative findings on all criteria set forth in 10 V.S.A. § 6086(a) and a permit amendment application is filed, the application shall be filed as an administrative amendment pursuant to Board Rule 34(D) provided:

i. the amendment application is filed within the period of time set by the Commission per Board Rule 21(l)(A)(5)(c);

ii. that the application only seeks construction approval for portions of the project that were already reviewed and approved as part of the master plan application; and

iii. all aspects of the construction will remain within the impact budget in the master plan approval.

The District Commission may review the application as a minor amendment under Board Rule 51 only if it determines that the project proposed in the application is reasonably likely to have an impact, but not a significant adverse impact, under the criteria of the Act or any finding, term, conclusion or condition of prior permits. Prior to reviewing the application as a minor amendment, the District Commission shall allow the applicant to present information in support of its request to process the application as an administrative amendment. If the District Commission decides to process the application as a minor application, it shall issue a written decision detailing the potential impacts of the project and responding to the information presented by the applicant.

II. Partial Review

[no changes to this section]

Bill AS INTRODUCED

H/S.

2018

Introduced by [name]

Referred to Committee on [date]

Date: [date]

Subject: Proposed new Title 10, Chapter 151, Subchapter 6: Permit Fee Rebates from Other Agencies

Upon completion of construction of any phase of a rural industrial park project that received a master plan permit under NRB Rule 21 and a fee reduction from the Natural Resources Board District Commission under 6083a(f), the permittee may request in writing that the respective Commissioner or Secretary authorize a rebate of permit fees paid to the Department of Public Safety and the Agency of Natural Resources for Department of Public Safety or Agency of Natural Resources permits associated with the master plan permitted project. The Agency of Natural Resources may only rebate fees for construction-related agency permits that have received affirmative findings under the Act 250 criteria as part of the initial approval of the master plan and have been constructed in accordance with the Act 250 master plan permit. The Agency of Natural Resources shall not rebate operational permits that require ongoing oversight.

As used in this section, “rural” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

Bill AS INTRODUCED

H/S.

018

Introduced by [name]

Referred to Committee on [date]

Date: [date]

Subject: Proposed changes to VEDA authorizing statute allowing developers and regional development corporations access to existing favorable financing programs to finance predevelopment costs of master permitted industrial parks

Sec. ___. 10 V.S.A. § 212 is amended to read:

§212. Definition

(8) "Industrial Park Planning and Development" means the basic architectural and engineering services needed to determine site and land use feasibility, and the planning and carrying out of land improvements necessary to make industrial land usable. When a developer seeking to create or expand an industrial park, as defined in 10 V.S.A. §6001, applies for a state land use permit through the master permitting process established by the Natural Resources Board under chapter 151 of Title 10, additional predevelopment services may also be included.

(29) “Qualified developer,” for the purposes of subchapters 3, 5 and 10 of this chapter, means a private corporation, partnership or person seeking to develop an industrial park, eligible facility or eligible project by applying for a state land use permit through the master permitting process established by the Natural Resources Board under chapter 151 of Title 10.

(30) “Predevelopment Services” means [to be defined but may include such things as design, engineering, legal, and permitting expenses].

Sec. ___. 10 V.S.A. § 231 is amended to read:

§231. Assistance to local development corporations

Upon application of a local development corporation or qualified developer, the Authority may loan money to that local development corporation or qualified developer, upon such terms and conditions as it may prescribe, for the purpose of industrial park planning and development, for constructing or improving a speculative building or small business incubator facility on land owned or held under lease by the local development corporation, for purchase or improvement of existing buildings suitable for or which can be made suitable for industrial or small business incubation facility purposes and for the purchase of land in connection with any of the foregoing. Before the local development corporation or qualified developer receives from the Authority such funds for such purposes ~~from the Authority~~, it shall give to the Authority security for the repayment of the funds. The security shall be in such form and amounts as the Authority may determine and shall, in each instance, include a first mortgage on the land, or the leasehold, building, and appurtenances financed by such funds, unless the loan is for predevelopment costs of not more than $200,000, in which case a first mortgage is not required. Loans by the Authority to local development corporations or qualified developers for the construction of speculative buildings or improvements to those buildings shall be repaid in full, including interest and other charges, within 90 days after the building is occupied if the building is being sold, or within five years after the property is occupied if the building is being leased, or within such period of time deemed reasonable by the Authority. Loans by the Authority to local development corporations for the construction, purchase, or improvement of small business incubator facilities shall be repaid in full, including interest and other charges, within ten years after the property is occupied.

Sec. ___. 10 V.S.A. § 234 is amended to read:

§234. The Vermont Jobs Fund

(1) Loans to local development corporations or qualified developers under this subchapter, provided that if the funds for any such loan are derived from the issue of notes to the State

Treasurer under section 235 of this chapter, the loan shall bear interest at a rate not less than the rate on the notes.

(g) Monies in the Fund may be loaned to a local development corporation or qualified developer for the costs of industrial park planning and development with terms and conditions allowing deferral of principal payments for predevelopment costs related to the master permitting process and repayment of such loans to be made upon sale of all or a portion of the industrial park.

Sec. ___. 10 V.S.A. § 237 is amended to read:

§237. Issuing of loans for industrial park planning and development projects

(1) The proposed industrial park is on adequate land owned or to be owned by the local development corporation or qualified developer or is leased by the local development corporation or qualified developer on terms satisfactory to the Authority.

(7) The local development corporation or qualified developer is responsible and has presented evidence to demonstrate its ability to carry out the park project as planned.

(9) The park project will be without unreasonable risk of loss to the Authority, and the local development corporation or qualified developer is unable to secure on reasonable terms the funds required for the project without the assistance of the Authority. Such findings when adopted by the Authority shall be conclusive.

Sec. ___. 10 V.S.A. § 237 is amended to read:

§280a. Eligible projects; authorized financing programs

(12) the loans to local development corporations or qualified developers for industrial park planning and development costs, administered under chapter 12, subchapter 3 of this title.