



April 6, 2021

The Honorable Michael Marcotte, Chair
House Committee on Commerce and Economic Development
State of Vermont House of Representatives
115 State Street
Montpelier, Vermont 05633-5301

Dear Mr. Chairman,

I am writing to you with concern regarding S. 33 - An act relating to project-based tax increment financing districts, in particular, the last paragraph (as passed out of the Senate), Sec 5. 24 V.S.A. § 1895 (b) Boundary of the district. We understand this bill is being taken up on Wednesday by the House Committee on Commerce and Economic Development.

The draft of this bill was recently modified so that it affects all TIF Districts and not just project-based tax increment financing districts. Language has been added that changes the way in which TIF District are defined (and thus are managed and operated). While generally the newest changes are clarifications, we strongly object to the inclusion of the last paragraph that prohibits South Burlington from seeking a change in the boundary to our City Center TIF District.

The ability to alter a boundary goes beyond a clarification to statute and is a change in the City's ability to carry out our economic development strategy. Up until now boundary changes have been clearly allowed. The process to do so is laid out to do so within the Vermont Economic Progress Council TIF Districts Adopted Rule #15-P04 Adopted May 6, 2015.

In South Burlington, our District has been less than 2/3 the statutorily allowed size, with room to grow for various reasons. Primarily, we recognize the importance of doing so only with a ready and willing development partner. We have been stalled in these negotiations over the past year due to COVID-19 pandemic, and have just in the past few months begun to reengage with partners.

We have been working in good faith with one set of rules in mind. To date, we have achieved great steps within the South Burlington TIF District. We were able to complete Market Street. City Center Park is an oasis within our community, and a new library is set to open this summer. Over 100 homes have been built, and several businesses opened. But South Burlington still has large swaths of suburban greyfield development. Our intention is to work with development partner through the expansion of the TIF District to leverage higher quality downtown

development on what are now greyfields along Dorset Street and Williston Road. If S.33 is adopted with the language as currently written, this will not be possible.

I urge you to ensure that S. 33 does not hamper our ability to build a strong downtown for our community.

Please either remove the last paragraph of S. 33 or add language so that it does not take effect until July 1, 2022.

I appreciate your committee's attention to this issue of great importance to our community. If you have any questions, please do not hesitate to contact me or our staff.

Yours sincerely,



Helen Riehle
South Burlington City Council Chair

Cc: Rep. Ann Pugh
Rep. Maida Townsend
Rep. Martin LaLonde
Rep. John Killacky
Kevin Dorn, City Manager