

1 Sec. 1. BURLINGTON WATERFRONT TAX INCREMENT FINANCING
2 DISTRICT; FINDINGS; INTENT

3 (a) The General Assembly finds that:

4 (1) 1985 Acts and Resolves No. 87 authorized municipalities to create
5 tax increment financing districts and to retain municipal tax increment
6 pursuant to 24 V.S.A. chapter 53, subchapter 5.

7 (2) The City of Burlington created the Burlington Waterfront Tax
8 Increment Financing (TIF) District in the Lake Street area of the City on
9 January 22, 1996, prior to the creation of the statewide education property tax
10 in 1997 Acts and Resolves No. 60.

11 (3) 1997 Acts and Resolves No. 60, Sec. 45 created a statewide
12 education property tax and authorized each municipality with an existing tax
13 increment financing district under 24 V.S.A. chapter 53, subchapter 5, to
14 expand the existing district by June 30, 1997, and “to collect *all* state and local
15 property taxes on properties within the tax increment financing district and
16 apply those revenues to repayment of debt issued to finance improvements
17 within the tax increment financing district” (emphasis added). This provision
18 authorized the City of Burlington to retain 100 percent of the Burlington
19 Waterfront TIF District’s municipal and education property tax increment.

1 (4) The City of Burlington voted to expand the Burlington Waterfront
2 TIF District on June 23, 1997, to include property extending along Cherry
3 Street from Battery Street to Church Street.

4 (5) 2009 Acts and Resolves No. 54, Sec. 83 extended the City of
5 Burlington’s authority to incur indebtedness for the TIF district five years
6 beginning January 1, 2010, and tasked the City of Burlington with submitting
7 to the Joint Fiscal Committee “a proposal for implementation of a payment to
8 the education fund in lieu of tax increment which would approximate 25
9 percent of the new incremental education property tax revenue and the
10 mechanism for payment by the City to the education fund, including payment
11 dates.”

12 (6) The City of Burlington submitted the proposal to the Joint Fiscal
13 Committee on August 31, 2009, and explained that the payment in lieu of tax
14 increment was intended to reduce the administrative complexity that would
15 result from having “two TIF rates and two ‘original taxable bases’ within the
16 same district.” The proposal provided for a payment to the Education Fund of
17 25 percent of “the new incremental *education* property taxes” (emphasis
18 added) on properties within the Burlington Waterfront TIF District other than
19 35 Cherry Street and 41 Cherry Street. For these two properties, the City
20 proposed to retain 100 percent of the property tax increment.

1 (7) The Joint Fiscal Committee approved the City of Burlington’s
2 proposal on September 10, 2009, and the General Assembly enacted the terms
3 of the proposal in 2011 Acts and Resolves No. 45, Sec.16. This legislation left
4 untouched the municipal property tax increment retention percentage.

5 (8) 2013 Acts and Resolves No. 80 codified the City of Burlington’s
6 authorization to use education tax increment financing for the Burlington
7 Waterfront TIF District at 24 V.S.A. § 1892(d), extended the City’s authority
8 to incur indebtedness for the TIF district five years beginning January 1, 2015,
9 and clarified that the extension of the City’s debt incurrence period did not
10 extend the City’s tax increment retention period.

11 (9) 2016 Acts and Resolves No. 134, Sec. 9a extended the period to
12 incur indebtedness for an additional one and a half years for three properties
13 located at 49 Church Street and 75 Cherry Street, as designated on the City of
14 Burlington’s Tax Parcel Maps as Parcel ID# 044-4-004-000, Parcel ID# 044-4-
15 004-001, and Parcel ID# 044-4-033-000. For these three properties, the
16 General Assembly further authorized the City of Burlington to extend the
17 City’s tax increment retention period until June 30, 2035.

18 (10) 2020 Acts and Resolves No. 175, Sec. 29 further extended the
19 period to incur indebtedness for these same three properties to June 30, 2022,
20 provided that certain contingencies were met, and clarified that the extension

1 of the City’s debt incurrence period for these three properties did not extend
2 the City’s tax increment retention period.

3 (11) 2021 Acts and Resolves No. 73, Sec. 26a further extended the
4 period to incur indebtedness for these same three properties to June 30, 2023.

5 (b) It is the intent of the General Assembly to clarify that the City of
6 Burlington may retain until June 30, 2035, 100 percent of the municipal tax
7 increment for the following three properties located at 49 Church Street and 75
8 Cherry Street, as designated on the City of Burlington’s Tax Parcel Maps:

9 (1) Parcel ID# 044-4-004-000;

10 (2) Parcel ID# 044-4-004-001; and

11 (3) Parcel ID# 044-4-033-000.

12 (c) This section shall not be construed to modify the tax increment
13 retention percentages for the Burlington Waterfront TIF District.

14 Sec. 2. EFFECTIVE DATE

15 This act shall take effect on passage.

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