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## COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

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July 20, 2009

Fred Kenney  
Executive Director  
Vermont Economic Progress Council  
National Life Office Building, 6th Floor, Drawer 20  
Montpelier, VT 05620-0501

Dear Mr. Kenney,

I am pleased to submit the attached Letter of Intent to the Vermont Economic Progress Council indicating the City of Burlington's interest in submitting an application for a new Tax Increment Financing (TIF) district.

As you know, Burlington originally submitted a Letter of Intent on January 23, 2009. That Letter was not acceptable to VEPC because of concerns that a new TIF district could not include properties that are located in an existing TIF district. Since the recently enacted Act 54 includes a provision that allows Burlington to incur new debt in its existing waterfront TIF district for a five-year window beginning January 2010, we are no longer proposing that the new district include any portion of the existing district.

Let me take this opportunity to reiterate that Burlington's existing TIF district has been a critical component of the city's economic development strategy. We have successfully utilized tax increment financing to help pay for public infrastructure improvements that have in turn stimulated millions of dollars of private development that wouldn't have occurred if not for the public investment. This partnership has expanded employment opportunities for Vermonters, created substantial new city and state tax receipts, and has enhanced the economic vitality of Burlington, the region, and the state.

As one of Vermont's principal economic engines, it is of vital importance that the state and city continue to cooperate in growing and strengthening Burlington's economy. It is with that goal in mind that Burlington wishes to create a new TIF district that would encourage further private investment and development. The attached Letter of Intent begins to outline the public infrastructure improvements that are necessary to encourage the development of new housing, retail, office and hotel space within Burlington's downtown core.

Please do not hesitate to contact me if you require additional information.

Sincerely,

Larry Kupferman  
Director