

Town of Berlin Public Hearing on Charter Revisions

Monday, June 27, 2016 – Berlin Elementary School

Approved Minutes

6:30pm

Attending:

Selectboard Members: Jeremy Hansen, Pete Kelley, Wayne Lamberton, Brad Towne, Ture Nelson arrived 6:50)

Dana Hadley, Town Administrator

Rosemary Morse, Town Clerk / Charter Committee Member

Corinne Stridsberg, Assistant Town Clerk / Charter Committee Member

Patti Lewis, resident / Legislator

David Delcore, Times Argus

William Moore, President, Central Vermont Chamber of Commerce

Greg Isabelle, Barre Electric in Berlin

Chuck Storrow, Berlin Mall Attorney

Gerry Hanifin, Berlin Mall Manager

Jeremy brought the meeting to order at 6:38pm and welcomed those attending saying this was a public hearing for Town residents regarding the proposed Charter revisions and asked for questions and comments. Jeremy pointed out there were “Red line” copies of the Charter, along with the four articles to be voted on available on the table.

Chuck Storrow stated he was here on behalf of the Berlin Mall and wanted to reiterate the same message he has brought to the selectboard before that the mall is opposed to the Local Options Sales Tax. It is felt it will hurt business, that folks won't shop there if there is an additional 1% being charged and there is lots of competition online, etc. Storrow said that they feel it's not in the Town's interest and it will erode the mall. In 2015/16 the mall paid \$289,000 in taxes of which \$69,000 were Town of Berlin taxes. He asks that the town help keep the mall viable. The Berlin Mall opposes having a local options sales tax.

Gerry Hanifin agreed with Storrow's statements and said that traffic is down and sales are down. Hanifin stated that everyone is in the same boat around the state, country, and globally. Amazon.com has made a big difference in a negative way to local shopping. At Christmas sales were down and have been since. He stated a clothing store in the mall says they've hit a brick wall and just can't compete well with deals on line and that people can ship back clothing items that don't fit free of charge. It's going to be a struggle for brick and mortar businesses, this local options sales tax couldn't have come at a worse time.

Patti Lewis asked if it was just going to be the 1% local options sales tax and the board responded that it was. Lewis said in the Times Argus article it didn't look like the board was

clear on it being a destination tax. Hansen said that it was very clear to him and he had included that information in the power point presentation he made available at the beginning of the year. Lewis feels that if collected, the Local Options Sales Tax should be put into the capital budget plan (for roads, replacement vehicles, etc.) where it would still reduce taxes but gives it a plan as to what it's being used for. Hansen said that was an idea that was pitched at a public hearing such as this one but it didn't receive support and that people have said they want it to go straight against the bottom line. Lewis said that she doesn't agree with the Local Options Sales Tax but that if it were to be enacted she would like to see the Business Personal Tax ended.

Rosemary Morse asked that as a destination tax, wouldn't it be true for online shopping also. Hansen said Yes, with the burden on the buyer to put on their income tax form where it says other purchases not taxed.

Greg Isabelle has a business on the Barre-Montpelier Road and says he is competing with online businesses. He has another business in New Hampshire and a lot of people go over the border to shop. Also competing with out of state companies, sometimes people are not buying locally when they think they are. Isabelle stated that even with 30 or 40% off sales, it was the Tax Holiday that was incredibly popular as people like not having to pay those taxes.

William Moore spoke again to voice his opposition. He submitted comments which are attached. Moore wanted to clarify that last week he had stated in Berlin 60% are renters however he had misread information and it is actually only 18% who are renters. The Central Vermont Chamber of Commerce is fully opposed to increasing the sales tax to 7%. Why would the town want to pay one quarter million to the state to administer this tax. Moore thinks the wording on the ballot is less than transparent. Moore repeated much of what was said at the public hearing on June 20th.

Hansen asked if there were any further comments, with nothing further, the meeting was adjourned at 6:58pm

Submitted by
Corinne Stridsberg
6/21/16