

Charter Change Held Hostage to Merger for Years

By Irene Wrenner, August 2

The Selectboard and Village Trustees met jointly on July 28th about merger topics and charter changes but, once again, made no decisions.

The dialogue among members was revealing.

Several elected officials responded to the age-old question from Town-outside-the-Village residents about merger benefits: "If we're giving up tax dollars, what is the Village giving up?"

Village Trustee Raj Chawla believes, "We're giving up a delay in any kind of [tax] relief that we're asking for. I mean we're barely gonna feel it. ...

["I think we're giving up a lot more than people realize."](#)

(Online edition includes links to videos of quoted material.)

Trustee George Tyler countered: "When you look at what the Village has been giving to



Village of Essex Jct. Trustee George Tyler at July 28th Joint Meeting

the Town for years and years and years, ... [you're asking us what we're gonna give up?"](#)

Selectboard member Elaine Haney declared, what the Village "would give up is all of their autonomy. They would give up their entire Village government; they would give up their entire ability to make decisions on their own about expenses that occur within their own district. [And what they would get \[in return\] is Australian Ballot."](#)

Her description of getting-only-when-giving may explain why staff and the boards have resisted, for years, changing from an in-person Town Meeting vote on the budget to an Australian Ballot vote at the polls or by mail, as many other large towns have done.

Haney said, "The leverage point is, if the TOV was willing to vote yes on merger, so that the Village would not have that double taxation, then gaining Australian Ballot for every[one] was a positive ... it's a negotiation tool. I know that some people would look at that as, ['you're withholding this thing we want.'](#)"

Tyler bristled at this nugget being taken out of the merger charter.



A change to Australian Ballot from the Town Meeting Floor Vote is revealed as a bargaining chip for merger.

He put it this way, "Are we going to go forward together on merger, or are we gonna start taking ... unilateral actions on charter changes, specifically ... budget-to-ballot vote just for the Town and revisiting the 3,3 board structure just for the Town, and you know those

(Continues)

Also trending...

- Town Tax Rate Held Flat; Village Rate Up** 2
- Handy Tax Break** 3
- Citizens Seek Statistics on Separation Scenario** 4

(Continued from page 1)

things in my mind [absolutely impact merger.](#)

Selectboard member Andy Watts has repeatedly asked that popular charter changes not be tethered to the merger decision.

He emphasized, "I fully believe that it's in the purview of the Selectboard to change how the Town votes. ... There's nothing that keeps the Village from changing their charter to go to Australian ballot in parallel. ...

"The survey was overwhelmingly [74%] ... in favor of going to Australian Ballot. We've got the [opportunity to do it.](#)"

"[The Fair Representation Charter Change] is not Democracy -- it's a Democracy Crusher." George Tyler

Selectboard member Pat Murray indicated support for moving to Australian ballot but not at the risk of losing it as an incentive to pass merger.

"The Australian Ballot voting was talked about, discussed and negotiated as part of a merger plan.

"To pull it out [of the merger plan] unilaterally is unfair to [our negotiating partners.](#)"

Tyler responded to a public comment: "Mr. Signorello said it's about spreading the Village's taxes [across the Town].

"No, Merger is about trying to help and work with the Town to provide a common benefit to everybody in this community. [That's what merger is about.](#)"

The tone of the conversation turned divisive. Regarding the 3+3 Charter Change, Tyler said,

"I understand you've got your own narrative about it.

But ... 3,3 hands the TOV a permanent veto over any village initiative.

The [TOV] can say forever and ever, we're gonna lock our funding mechanism in place and there's nothing you can do about it, no matter how aggrieved and disenfranchised you feel.

"It's not Democracy -- [it's a Democracy Crusher.](#)"

Selectboard member Pat Murray realized that the TOV is not sold on a higher tax bill, to pay for services they didn't vote for.

"Tax inequity, that shift, that however people want to describe it, but as it is right now, we know that the Village is getting additionally taxed for services they don't use.

Till we find a way to sell that [tax shift], [we're losing the argument about merger.](#)"

Selectboard member Dawn Hill-Fleury highlighted one of the contradictions built into the current merger plan draft.

"I understand the [Village wants] Tax Equity, and yet the Village wants to have [two separate tax districts.](#)"

After reaching a consensus to table the question of voting on merger in November, conversation turned to the 3+3 charter change.

Tyler voiced concern that the Selectboard, originally oppos-

ing the 3+3 charter change, is now discussing bringing it back to the legislature.

Haney emphasized the voters passed this change to our charter.

The House Gov Ops Committee did not reject it; they hesitated to act, pending additional information, and a merger vote November.

"If merger is not coming in November, then [there's no reason for us not to pursue this.](#)"

She continued forcefully, "Our voters are expecting us to move forward on this. And because our voters approved it, [that's what we need to do!](#)"

This is a complete reversal. The Chair had resisted the charter change since before Christmas. The Selectboard will consider alterations to "3+3" at their August 3rd Selectboard meeting.

It has yet to be determined if the public will recognize their charter change the next time a state legislative body sees it.

Tax Rates Set

The Village Municipal Tax Rate was set to \$.3302 per \$100 of assessed value on July 28th, an increase of \$27 on the average-value (\$280,000) dwelling.

The Town budget increases approved in March were thrown out in light of the pandemic and, instead, a near level funding rate was approved.

Therefore, Town Municipal Taxes will increase less than \$1.00 per average-value dwelling.

Selectboard Delegates Policing Discussion After Public Demands to Be Heard

by Ken Signorello, July 20

At the July 6th Selectboard meeting, a motion was passed to schedule a public meeting to collect public input on Policing.

Instead, at the July 21st meeting, Unified Manager Evan Teich presented a \$25,000 contract he arranged with Creative Dis-course, an organization run by his neighbor, Sue McCormack.

Current rules do not require a bid process for an expenditure of this magnitude, but several racially diverse, “arms-length” resources may be found nearby.

Racial Justice Alliance and the Peace and Justice Center were among those entities suggested by the public in response to the initial proposal by the Selectboard Chair and Village Trustee President to use the Community Justice Center, an

arm of the Police Department, to manage the process of hearing the public.

Several public members have expressed outrage that a non-BIPOC Village resident was selected without board consideration of alternatives.

Although not mentioned in the contract, Sue expects to include Tabitha Moore, NAACP Vermont Director. The first step is an online survey.

Access contract details and survey link via online edition.

Handy Granted 3-Year Tax Break

by Irene Wrenner, July 26

The Village Trustees, at their Tuesday, July 14th meeting, cemented a “tax stabilization agreement” made back in 2018.

This action gives Handy’s Hotels & Rentals LLC an approximately \$16,400 total tax break over three years on the new development at 15 Park Street, beginning in FY21. (Estimate assumes a steady assessed value and tax rate; both will likely increase over time.)

The reduction only affects Gabe Handy’s Village Municipal Taxes. The Town Selectboard has made no similar agreement with this property owner, nor the others who currently enjoy Village tax breaks at 4 Pearl Street, 8 Pearl Street, and 315 South Street.

Andrew Brown pointed out the assessed value of the property before this build-out was \$869,000. Therefore, even with the 70% assessed value reduction on the now \$3m+ property

in year one, the grand list will actually increase slightly because of this development.

According to George Tyler, the new building offers 44 units of senior housing with the promise of monthly rents below \$1,000 per month, satisfying an oft-stated goal of increasing affordable housing in locations that are walking distance to amenities. As of July 16th, half the total units had been rented. Those remaining start at \$1,100 and up.

There was no mention of the impact or cost of services that these additional residents will create collectively or individually, such as Public Safety, Senior Bus rides, and pickleball courts compared to the additional revenue.

For background:

In his classic book on the development, *Better Not Bigger*,



author Eben Fodor cites study after study showing how growth raises taxes. These dozens of studies all come to the same conclusion, wrote the late environmental scientist Donella H. Meadows in “If We Don’t Like Sprawl, Why Do We Go On Sprawling?”.

“New subdivisions reach into the pockets of established residents to finance additional schools and services. Commercial and industrial developments sometimes pay more in taxes than they demand in services, but the traffic and pollution they generate reduces nearby property value.”

A link to Meadows’ seminal article may be found online.

Is Downtown District at Risk in a Merger?

by Ken Signorello, July 30

At the Trustee Meeting on July 28th, George Tyler highlighted the challenges facing the planning functions if they merge, and suggested they be addressed before a vote to merge was taken.

Tyler pointed out “there is no overlap or duplication of effort. ... And merger is not going to reduce the overall volume of work that’s being done”, thus, for planning, merger may not save money.

Tyler proposed converting from the current Zoning and Planning boards to a Development Review Board and Planning Commission. He asked whether we would want to continue all current projects and, if not, we’d need to identify those things we would sacrifice.

He was especially anxious to see that investments continue to be made in the Village downtown, whose current planning model is named Design Five Corners (D5C). The Town plan for developing its densely-populated core is known as ETC Next.

He asks, “Prior to entering into a merger agreement / discussions, do we not want to have pieces in place to make sure our downtown development continues. ... What do we want to do to ensure that (D5C) continues prior to having any formal merger agreement?”

About half-way through his presentation, a slide from a dif-



ferent presentation was briefly displayed. It showed a 2018 revenue breakdown for the Town, the Village, and for the TOV and Village, assuming separation.

It seemed ironic that this chart was inadvertently shown after the request for difficult-to-calculate separation information had just been approved. We are looking into it.

Citizens Seek Stat's on Separation

by Irene Wrenner, July 31

Tuesday, July 28th, the Village Trustees reviewed a memo from 27 Essex residents, nearly all Villagers.

They had asked for “complete and accurate calculations of what the costs would be if our two communities separated.”

This is not the first inquiry about the cost of Separating, as Merging is being discussed. Merger costs have yet to be provided to those who’ve asked.

Trustee George Tyler responded that complete separation calculations would be hard to do because we might want to share things like police and administration. He called this pricing-out of separation a politically-sensitive activity and suggested it’s not what staff want to be doing.



Manager Evan Teich acknowledged this will be a lot of work. It will take weeks to pull together, but he agreed to do so.

There’s a “fundamental lack of understanding of how things are funded”.

The motion to satisfy the request in order to understand the implications of separation passed unanimously.

About half-way through a subsequent presentation on planning, a slide from a different presentation was briefly projected.

It appears to show the 2018 revenue breakdown for the Town and Village currently, as well as those two entities under a scenario of separation.

This inadvertently-displayed chart seems to address separation data requested over a year ago. More on this in a future article.

The Essex RETORTER

Published
by

Irene Wrenner
12 Main St.
Essex, Vermont

news@essexretorter.com
www.EssexRetorter.com

© 2020 All Rights Reserved