

Pam Mullen

From: Paul D. Manganiello <Paul.D.Manganiello@dartmouth.edu>
Sent: Wednesday, December 28, 2016 1:07 PM
To: Pam Mullen; Anne Duncan Cooley
Cc: Ralph Hybels; Jeffrey Lubell; Creigh Moffatt; kkshepherd447@gmail.com; jeff.goodrich@pathwaysconsult.com; mwfowler@myfairpoint.net; Phil Dechert
Subject: Re: Affordable Housing Meeting Monday, January 2nd at 5:00 pm

Kathleen, here is the response to the FAQ I was responsible for:

Frequently Asked Question (FAQ): “Does increased development increase taxes?”

This question was put to our Representative Tim Briglin, who supplied the following link”

<http://vnrc.org/wp-content/uploads/2012/08/The-Land-Use-Pr-ton-12.2002.pdf>

“Summary of Conclusions:

In general, towns with more development have higher tax bills. However, not every development will increase taxes, at least not immediately.

Taken to the extreme, the obvious way to lower taxes is to make sure there are no people to serve, or to lure commercial development away from the neighboring town so that the employees don't move with it. But these are neither possible nor desirable planning goals. A more realistic goal would be to maintain balance between different types of land uses.

The central conclusion of this study is that property taxes should not drive or justify land use planning. When planning for a town's future, property taxes are just one of many concerns. Most communities strive to create a prosperous and healthy environment in which to raise the next generation—not solely to maintain low tax rates. The challenge when evaluating planning options is to strike a balance between what improves the community, what is responsible, and what taxpayers can afford. This guide and workbook are designed to clear up some of the myths and mystery so that townspeople can make more informed decisions.”

Tim had also contacted Kevin Geiger, the Senior Planner for our regional planning commission, the Two Rivers-Ottawaquechee Regional Commission (TRORC), an excellent resource on housing/development questions, he responded with the following example:

“There are really too many variables to answer the question well. Most of the tax bill is for schools, and that goes to the state, the town only gets it back if it has kids. A small house with kids on a good town road is probably a net gain, whereas the same house on a bad road that makes you plow more is less, and once the kids grow up the state stops sending that money and so that is worse. The idea that commercial property is better than a house is largely a vestige of pre-Act 60/68 thinking when towns did not send money to the state. We also have some VLS students do a report on whether zoning (which could be viewed as reducing potential development) led to higher or lower taxes as well as growth and there was no clear answer.”

*Thanks, again have a wonderful New Year!!!
Paul*