



**VILLAGE OF ESSEX JUNCTION TRUSTEES
TOWN OF ESSEX SELECTBOARD
SPECIAL MEETING AGENDA**

81 Main Street
Essex Junction, VT 05452
Tuesday, January 21, 2020
7:45 PM (or immediately following
Town Selectboard Meeting)

E-mail: manager@essex.org

www.essexjunction.org

www.essex.org

Phone: (802) 878-1341

The Selectboard and Trustees meet together to discuss and act on joint business. Each board votes separately on action items.

1. **CALL TO ORDER** [7:45 PM]
2. **AGENDA ADDITIONS/CHANGES**
3. **APPROVE AGENDA**
4. **PUBLIC TO BE HEARD**
 - a. Comments from Public on Items Not on Agenda
5. **BUSINESS ITEMS**
 - a. Discuss and possibly approve conceptual merger language about representation for discussion with state legislators
 - b. Discuss and possibly approve conceptual merger language about taxation for discussion with state legislators
6. **CONSENT ITEMS**
 - a. Approve minutes: January 14, 2020 – Joint Meeting
7. **READING FILE**
 - a. Board Member Comments
 - b. Town and Village Christmas Tree Pick-up
8. **EXECUTIVE SESSION**
 - a. An executive session is not anticipated
9. **ADJOURN**

Members of the public are encouraged to speak during the Public to Be Heard agenda item, during a Public Hearing, or, when recognized by the Chair or President, during consideration of a specific agenda item. The public will not be permitted to participate when a motion is being discussed except when specifically requested by the Chair or President. This agenda is available in alternative formats upon request. Meetings, like all programs and activities of the Village of Essex Junction and the Town of Essex, are accessible to people with disabilities. For information on accessibility or this agenda, call the Unified Manager's office at 878-1341.

Certification: 01/17/2020

Memorandum

To: Town of Essex Selectboard and Village of Essex Junction Trustees; Evan Teich, Unified Manager

CC: Greg Duggan, Deputy Manager; Sarah Macy, Assistant Manager and Finance Director

From: Ann Janda, Project Manager

Re: Discuss and possibly approve conceptual merger language about representation for discussion with state legislators

Date: January 21, 2020

Issue

The issue is approving language for the concept of a transitional elected board representation model in a merged Essex Junction/Essex Town municipal government for the purpose of discussions with state legislators and legislative counsel.

Discussion

At its January 16 meeting, the Governance Subcommittee agreed to recommend to the joint boards a transitional representation model detailed in the next two pages. Staff researched with the Secretary of State and the districting expert at the City of Burlington whether using the Village and Town outside the Village as the district's boundary line will meet legal proportionality requirements. The Secretary of State said he expects the legislature to use the most recent Census estimates as a starting point. The City of Burlington districting expert said the 2010 Census data provides the best substantiation for any legal challenge. Staff found that in using either the 2010 Census data or the most recent Census estimates the proportionality requirement of staying under 10% deviation from ideal will easily be met. See calculation below.

2010 Census data: Village 9271 + Town outside the Village 10316 = 19,587 Source:

<https://www.census.gov/quickfacts/fact/table/essexjunctionvillagevermont/PST045219>

Ideal district population: Number of people that should be in each voting district for exactly equal representation. This number is calculated by dividing the total town population by the total number of legislators, and then summed by the number of legislators in each district.

$$(19587 / 4 = 4897) * 2 = 9794$$

% Deviation from Ideal:

$$\text{Village: } 9794 - 9271 = 523. (523 / 9794) * 100 = 5.3\%$$

$$\text{Town: } 9794 - 10316 = -522 (522 / 9794) * 100 = 5.3\%$$

The next step is for the joint boards to authorize the Governance Subcommittee to discuss the proposed representation model with the appropriate state legislators to gain their feedback.

Recommendation

Staff recommends that joint board members approve or amend the recommendation language following this memo for the purpose of discussions with legislators to ensure that these concepts will be acceptable if/when they are submitted to the legislature for approval.

Essex Junction Trustees/Essex Town Selectboard Subcommittee on Governance

Recommendation for a Transitional Elected Board Representation Model in a Merged Essex Junction/Essex Town Municipal Government

1/16/20

Summary: The Subcommittee recommends a hybrid transitional model of seven at-large & designated seats from the current Essex Junction and Essex Town municipalities as follows:

- 2 members from the former Essex Town 'Outside-the-Village' district
- 2 members from the former Essex Junction 'Town-inside-the-Village' district
- 3 members at-large

Length of Terms should be **three years**.

The election cycles should be staggered to provide turnover for either one or two seats every year. This will require an initial adjustment of either curtailing or extending the terms of several board members to establish the turnover cycle.

This model would be **transitional** and would be enacted one year (or two years) after ratification of the merged charter by the Vermont Legislature. During the intervening year (or two), the Interim Governing Body (comprised of former selectmen and trustees) would oversee the elections of the new board. This model would then remain in place for **five or seven years** after which, by charter, it would be superseded by an all at-large model unless the community amends the charter in the intervening years to create a different model of representation.

Narrative:

This model conforms to state statutes and, because the TIV and TOV populations are approximately the same, meets legal requirements for proportionality when designating separate representative districts within a single municipality. *(See appendices for further explanations of Essex Town-Essex Junction populations and proportionality.)*

This model must be temporary unless there is also a chartered provision for readjusting the number of representative seats based on proportionality as populations in the former Village and Town change. If it appears there is a desire for more or different districts, a districting committee could be formed to research and propose a district model for consideration well in advance of the end of the seven-year period.

This model represents a compromise on two levels: The results of the KSV surveys indicated that respondents were about equally divided in favoring at-large elections vs voting districts. The KSV analysis recommended a compromise hybrid model of at-large & districts. The Governance Subcommittee was divided. One member favored at-large elections; one member

avored voting districts; one member preferred at-large but was sensitive to the political and emotional arguments for districts; one member favored a hybrid at-large & districts model similar to the KSV proposal.

These are some of the arguments the Subcommittee considered that informed our decision:

In favor of Voting Districts:

- Gives assurance to community members that the particular interests and concerns in their part of the community won't be marginalized in a merged government.
- Encourages more people to run for office if they know they won't be competing in a community-wide race
- Ensures that the elected board will be comprised of people from different parts of the community which can diversify and enlighten the perspective of the entire board.

In favor of At-Large Voting:

- Embodies the idea that elected officials must faithfully represent the entire community
- Obviates the need to periodically readjust voting districts/wards to meet statutory requirements for proportionality.
- Continues the longstanding tradition of the Essex Town Selectboard of all at-large representation (only Village residents can run for Trustees). An analysis of 20 years of Selectboard membership reveals no evidence that Town Outside-the-Village residents have a more difficult time being elected than Village residents.

State and Legislative Approval: Attorney Dan Richardson believes the Subcommittee's proposal will be acceptable to the Vermont Legislature. However, representatives of the Subcommittee and Mr. Richardson will meet with appropriate representatives of the Vermont government and legislature in late January or early February to confirm this opinion. We recommend that the joint boards refrain from formally incorporating this model into the transitional charter for the merger until these conversations take place.

Ann Janda

Subject: FW: Data source to determine proportionality of two potential voting districts

From: Jay Appleton <JAppleton@burlingtonvt.gov>
Sent: Friday, December 20, 2019 1:53 PM
To: Ann Janda <ajanda@essexvt.onmicrosoft.com>
Subject: RE: Data source to determine proportionality of two potential voting districts

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

I talked with a City Planner about where residential development was occurring in Essex, and he said that contrary to my opinion, there has been a good deal of dense new Development in the Village. The village has 1100 less people than the town. That means that the village's population can increase quite a bit before the 10% threshold is exceeded, thus triggering redistricting. Good news and good luck!

From: Jay Appleton <JAppleton@burlingtonvt.gov>
Sent: Friday, December 20, 2019 11:40 AM
To: Ann Janda <ajanda@essexvt.onmicrosoft.com>
Subject: RE: Data source to determine proportionality of two potential voting districts

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

Total Population: $9271 + 10316 = 19,587$

Ideal district population: Number of people that should be in each voting district for exactly equal representation. This number is calculated by dividing the total town population by the total number of legislators, and then summed by the number of legislators in each district.

$(19587 / 4 = 4897) * 2 = 9794$

% Deviation from Ideal:

Village: $9794 - 9271 = 523$. $(523 / 9794) * 100 = 5.3\%$

Town: $9794 - 10316 = -522$ $(522 / 9794) * 100 = 5.3\%$

We have a winner! A town and village district plan will work. – Jay

From: Ann Janda [<mailto:ajanda@essexvt.onmicrosoft.com>]
Sent: Friday, December 20, 2019 11:14 AM
To: Jay Appleton <JAppleton@burlingtonvt.gov>
Subject: RE: Data source to determine proportionality of two potential voting districts

2010 Census data:

Village = 9,271

Town outside the Village = 10,316

Here is the proposal:

7 member board

Village	Town outside the Village	At Large
2 Reps	2 Reps	3 Reps

From: Jay Appleton <JAppleton@burlingtonvt.gov>

Sent: Friday, December 20, 2019 11:10 AM

To: Ann Janda <ajanda@essexvt.onmicrosoft.com>

Subject: RE: Data source to determine proportionality of two potential voting districts

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

What is the population of the Village and Town?

From: Jay Appleton <JAppleton@burlingtonvt.gov>

Sent: Friday, December 20, 2019 10:38 AM

To: Ann Janda <ajanda@essexvt.onmicrosoft.com>; Senning, Will <will.senning@sec.state.vt.us>

Cc: Daniel Richardson <drichardson@tgrvt.com>; Gregory Duggan <gduggan@ESSEX.ORG>

Subject: RE: Data source to determine proportionality of two potential voting districts

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

Ann, If the populations of the Village and Town are approximately equal, then their boundaries could be used to define 2 voting districts. If not, then another boundary will be needed.

You will have to use the latest US Census data (2010) to do this. Any other source will essentially have to be as rigorously derived as that of the Census. The City of Burlington considered this when it last redistricted in 2012-2013. But the effort and cost it would take to reproduce the Census precluded it.

Does the merger require definition and adoption of voting districts? If yes, then you'll have to go through districting using the 2010 Census data, or defer the merger until the 2020 Census data are released.

Plan on districting (defining the voting districts) being a painful, drawn-out process. You will have to get the selectboard and trustees to agree on a districting plan. Then the voters would have to approve as part of the merger.

Taking a cursory look at the 2010 Census Block data, there are enough blocks to provide flexibility in grouping them. The Town has larger blocks (blocks are usually defined by roads), and the Village has smaller blocks. So it is probable that the Village will have to be divided between the two districts to achieve approximately equal representation.

The 2020 Census Districting data package will be released by April 1, 2021 (required by law). How population will differ from 2010 depends on how much residential development occurred since April 1, 2010, and where. Since the Village is largely built out, the new development is in the Town.

Therefore if you district using 2010 data, the village will end up proportionately more representation than the Town because post 2010 residential development is unaccounted for.

If possible, it might be better to divide and conquer, and merge as one voting district. Then when the 2020 Census data are released in 2021, redistrict into 2 districts.

Jay Appleton
Sr Programmer/Analyst
City E911 Coordinator
City of Burlington, Vermont USA

The views expressed here are my own, and do not represent any opinion of the City of Burlington.

Please note that this communication and any response to it will be maintained as a public record and may be subject to disclosure under the Vermont Public Records Act.

From: Ann Janda [<mailto:ajanda@essexvt.onmicrosoft.com>]
Sent: Friday, December 20, 2019 8:19 AM
To: Senning, Will <will.senning@sec.state.vt.us>
Cc: Jay Appleton <JAppleton@burlingtonvt.gov>; Daniel Richardson <drichardson@tgrvt.com>; Gregory Duggan <gduggan@ESSEX.ORG>
Subject: Data source to determine proportionality of two potential voting districts

Hello Will,

Elected officials are discussing the idea of proposing two voting districts as part of a merger proposal. Ideally the lines would be exactly where the Village of Essex Jct. is now and where the rest of the town is now. Last night we asked our attorney that, given we will need to draw up proposed voting district lines about a year and a half before the new Census numbers come out, what data source should we use to calculate proportional districts that fall within 10% or less of "Overall Plan Deviation" (Jay Appleton says this is what the courts use to evaluate redistricting plans)? Our attorney said to ask the Secretary of State's Office what source to use. Is this source acceptable?
<https://www.census.gov/quickfacts/fact/table/essexjunctionvillagevermont/PST045218#>? According to this data, it appears the two districts would easily fall within less than 10% deviation.

I have cc'd our attorney as well and Jay Appleton from Burlington in case they can assist.

We very much appreciate your attention to this matter.

Happy Holidays!
Ann

Ann Janda
Project Manager
Town of Essex / Village of Essex Junction

Ann Janda

From: Senning, Will <Will.Senning@vermont.gov>
Sent: Monday, December 23, 2019 3:25 PM
To: Ann Janda; Senning, Will
Cc: Jay Appleton; Daniel Richardson; Gregory Duggan
Subject: RE: Data source to determine proportionality of two potential voting districts

CAUTION: EXTERNAL MAIL. DO NOT CLICK ON LINKS OR OPEN ATTACHMENTS YOU DO NOT TRUST

Hi Ann,

What is acceptable data on which to base redistricting calculations is not my area of expertise, nor within my authority to dictate one way or another. Having said that, it is my understanding that the legislature will use whatever is the most current update of official census data as their starting point. If this is the most recent estimated update from the US census, I don't think there is a much better source.

Regards,
Will

Will Senning
Director of Elections and Campaign Finance
Vermont Secretary of State's Office
128 State Street
Montpelier, VT 05633-1101
(802) 828 – 0175
will.senning@vermont.gov

PLEASE NOTE THAT MY EMAIL ADDRESS HAS CHANGED. My new address is will.senning@vermont.gov

From: Ann Janda <ajanda@essexvt.onmicrosoft.com>
Sent: Friday, December 20, 2019 8:19 AM
To: Senning, Will <will.senning@sec.state.vt.us>
Cc: Jay Appleton <JAppleton@burlingtonvt.gov>; Daniel Richardson <drichardson@tgrvt.com>; Gregory Duggan <gduggan@ESSEX.ORG>
Subject: Data source to determine proportionality of two potential voting districts

EXTERNAL SENDER: Do not open attachments or click on links unless you recognize and trust the sender.

Hello Will,

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I have cc'd our attorney as well and Jay Appleton from Burlington in case they can assist.

We very much appreciate your attention to this matter.

Happy Holidays!

Ann

Ann Janda

Project Manager

Town of Essex / Village of Essex Junction

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QuickFacts

Essex town, Chittenden County, Vermont; Essex Junction village, Vermont

QuickFacts provides statistics for all states and counties, and for cities and towns with a *population of 5,000 or more*.

Table

All Topics ▼	Essex town, Chittenden County, Vermont	Essex Junction village, Vermont
Population estimates, July 1, 2019, (V2019)	NA	NA
PEOPLE		
Population		
Population estimates, July 1, 2019, (V2019)	NA	NA
Population estimates, July 1, 2018, (V2018)	21,911	10,929
Population estimates base, April 1, 2010, (V2019)	NA	NA
Population estimates base, April 1, 2010, (V2018)	19,593	9,273
Population, percent change - April 1, 2010 (estimates base) to July 1, 2019, (V2019)	NA	NA
Population, percent change - April 1, 2010 (estimates base) to July 1, 2018, (V2018)	11.8%	17.9%
Population, Census, April 1, 2010	19,587	9,271
Age and Sex		
Persons under 5 years, percent	▲ 4.7%	▲ 4.7%
Persons under 18 years, percent	▲ 21.7%	▲ 21.0%
Persons 65 years and over, percent	▲ 14.6%	▲ 13.4%
Female persons, percent	▲ 51.8%	▲ 51.8%
Race and Hispanic Origin		
White alone, percent	▲ 89.5%	▲ 86.7%
Black or African American alone, percent (a)	▲ 2.4%	▲ 2.4%
American Indian and Alaska Native alone, percent (a)	▲ 0.1%	▲ 0.0%
Asian alone, percent (a)	▲ 5.3%	▲ 8.2%
Native Hawaiian and Other Pacific Islander alone, percent (a)	▲ 0.0%	▲ 0.0%
Two or More Races, percent	▲ 2.0%	▲ 2.1%
Hispanic or Latino, percent (b)	▲ 2.8%	▲ 2.5%
White alone, not Hispanic or Latino, percent	▲ 87.5%	▲ 85.2%
Population Characteristics		
Veterans, 2014-2018	1,175	581
Foreign born persons, percent, 2014-2018	10.6%	13.1%
Housing		
Housing units, July 1, 2018, (V2018)	X	X
Owner-occupied housing unit rate, 2014-2018	70.3%	65.8%
Median value of owner-occupied housing units, 2014-2018	\$287,000	\$283,400
Median selected monthly owner costs -with a mortgage, 2014-2018	\$1,877	\$1,807
Median selected monthly owner costs -without a mortgage, 2014-2018	\$789	\$775
Median gross rent, 2014-2018	\$1,198	\$1,275
Building permits, 2018	X	X
Families & Living Arrangements		
Households, 2014-2018	8,753	4,264
Persons per household, 2014-2018	2.42	2.43
Living in same house 1 year ago, percent of persons age 1 year+, 2014-2018	86.6%	84.1%
Language other than English spoken at home, percent of persons age 5 years+, 2014-2018	12.1%	14.2%
Computer and Internet Use		
Households with a computer, percent, 2014-2018	94.6%	95.9%
Households with a broadband Internet subscription, percent, 2014-2018	89.5%	88.2%
Education		
High school graduate or higher, percent of persons age 25 years+, 2014-2018	95.0%	95.5%
Bachelor's degree or higher, percent of persons age 25 years+, 2014-2018	51.3%	47.5%
Health		
With a disability, under age 65 years, percent, 2014-2018	6.3%	4.8%
	▲ 4.5%	▲ 4.3%

Persons without health insurance, under age 65 years, percent

Economy

In civilian labor force, total, percent of population age 16 years+, 2014-2018	74.9%	78.1%
In civilian labor force, female, percent of population age 16 years+, 2014-2018	71.4%	74.5%
Total accommodation and food services sales, 2012 (\$1,000) (c)	D	18,841
Total health care and social assistance receipts/revenue, 2012 (\$1,000) (c)	22,745	D
Total manufacturers shipments, 2012 (\$1,000) (c)	205,406	D
Total merchant wholesaler sales, 2012 (\$1,000) (c)	162,993	D
Total retail sales, 2012 (\$1,000) (c)	161,905	131,392
Total retail sales per capita, 2012 (c)	\$8,072	\$13,834

Transportation

Mean travel time to work (minutes), workers age 16 years+, 2014-2018	20.7	19.9
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Income & Poverty

Median household income (in 2018 dollars), 2014-2018	\$80,562	\$75,439
Per capita income in past 12 months (in 2018 dollars), 2014-2018	\$40,464	\$39,101
Persons in poverty, percent	▲ 6.7%	▲ 6.2%



BUSINESSES

Businesses

Total employer establishments, 2017	X	X
Total employment, 2017	X	X
Total annual payroll, 2017 (\$1,000)	X	X
Total employment, percent change, 2016-2017	X	X
Total nonemployer establishments, 2017	X	X
All firms, 2012	1,191	1,024
Men-owned firms, 2012	486	621
Women-owned firms, 2012	500	344
Minority-owned firms, 2012	45	64
Nonminority-owned firms, 2012	1,103	913
Veteran-owned firms, 2012	71	157
Nonveteran-owned firms, 2012	1,064	819



GEOGRAPHY

Geography

Population per square mile, 2010	504.5	2,030.9
Land area in square miles, 2010	38.82	4.57
FIPS Code	5000724175	5024400

Value Notes

Estimates are not comparable to other geographic levels due to methodology differences that may exist between different data sources.

Some estimates presented here come from sample data, and thus have sampling errors that may render some apparent differences between geographies statistically indistinguishable. Click the Quick Info icon in TABLE view to learn about sampling error.

The vintage year (e.g., V2019) refers to the final year of the series (2010 thru 2019). *Different vintage years of estimates are not comparable.*

Fact Notes

- (a) Includes persons reporting only one race
- (b) Hispanics may be of any race, so also are included in applicable race categories
- (c) Economic Census - Puerto Rico data are not comparable to U.S. Economic Census data

Value Flags

- Either no or too few sample observations were available to compute an estimate, or a ratio of medians cannot be calculated because one or both of the median estimates falls in the lowest or upper open ended distribution.
- D Suppressed to avoid disclosure of confidential information
- F Fewer than 25 firms
- FN Footnote on this item in place of data
- N Data for this geographic area cannot be displayed because the number of sample cases is too small.
- NA Not available
- S Suppressed; does not meet publication standards
- X Not applicable
- Z Value greater than zero but less than half unit of measure shown

QuickFacts data are derived from: Population Estimates, American Community Survey, Census of Population and Housing, Current Population Survey, Small Area Health Insurance Estimates, Small Area Income : Estimates, State and County Housing Unit Estimates, County Business Patterns, Nonemployer Statistics, Economic Census, Survey of Business Owners, Building Permits.

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FIND DATA

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- American FactFinder
- 2010 Census
- Economic Census
- Interactive Maps
- Training & Workshops
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BUSINESS & INDUSTRY

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- Export Codes
- NAICS
- Governments
- Longitudinal Employer-Household Dynamics (LEHD)
- Survey of Business Owners

PEOPLE & HOUSEHOLDS

- 2020 Census
- 2010 Census
- American Community Survey
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- Poverty
- Population Estimates
- Population Projections
- Health Insurance
- Housing
- International
- Genealogy

SPECIAL TOPICS

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- Statistics in Schools
- Tribal Resources (AIAN)
- Emergency Preparedness
- Statistical Abstract
- Special Census Program
- Data Linkage Infrastructure
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- USA.gov

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CONNECT WITH US

Memorandum

To: Town of Essex Selectboard and Village of Essex Junction Trustees; Evan Teich, Unified Manager

CC: Greg Duggan, Deputy Manager; Sarah Macy, Assistant Manager and Finance Director

From: Ann Janda, Project Manager

Re: Discuss and possibly approve conceptual merger language about taxation for discussion with state legislators

Date: January 21, 2020

Issue

The issue is approving language for the concept of a transitional 12-year phase-in to get to one tax rate and transitional special Village tax district(s) in a merged Essex Junction/Essex Town municipal government for the purpose of discussions with state legislators and legislative counsel.

Discussion

At its January 16 meeting, the Governance Subcommittee agreed to recommend to the joint boards a transitional period of 12 years to get to one tax rate and to designate the Village as a special debt assessment district for the same time period so that only the municipality that voted for debt will pay for that debt. Initial discussions by Attorney Dan Richardson with the Tax Department indicate that there are no structural issues with these concepts.

The Subcommittee also discussed some additional transitional special tax districts in the Village. The discussions included a special sidewalk district; a special capital improvement district; and/or a special downtown improvement district.

The next step is for the joint boards to authorize the Governance Subcommittee to use the following language in discussions with the appropriate state legislators to gain their feedback.

Recommendation

Staff recommends that joint board members approve or amend the recommendation language following this memo for the purpose of discussions with legislators to ensure that these concepts will be acceptable if/when they are submitted to the legislature for approval.

Essex Junction Trustees/Essex Town Selectboard Subcommittee on Governance

Recommendations for Transitional Taxation Models in a Merged Essex Junction/Essex Town Municipal Government

1/5/20

Important Foreword: The analyses and recommendations for transitional taxation in this report are based on the assumption that current service delivery levels in Essex Junction and Essex Town would be maintained in a merged community. In plain terms, this means that the numbers used to calculate and predict tax rates, tax phase-ins and so forth in a merged community were derived by adding together the current Town and Village general funds, reserve funds, and other operational funds in totality. This was the assumption under which the governance subcommittee came to its initial recommendation of three governance models, presented to the joint boards in 2018; it was the assumption under which the governance subcommittee assisted KSV in the formulation of the 2019 community surveys and focus groups; it is the assumption under which staff calculated funding and revenue data in their assistance to the Subcommittee; and it was an operational assumption of the ‘Strategic Advance’ event in 2019.

Although we can reasonably anticipate that merger will present opportunities for cost efficiencies and savings, the joint boards did not assign the Subcommittee nor Town/Village administrative staff the task of identifying such savings.

Summary

- I. The Subcommittee recommends designating the Village as a debt assessment district.
- II. The Subcommittee also recommends adopting one or more of the following transitional taxation schemes:
 - Designate the Village as a tax rate reconciliation district
 - Designate the Village as a sidewalk district
 - Designate the Village as a capital improvement district
 - Designate the Village center as a downtown improvement district
- III. The Subcommittee recommends a transitional period of 12 years
- IV. Subcommittee members and Atty Dan Richardson will confer with state legislative and tax department authorities to assess legality and acceptability of these proposals.

Narrative

Village as a Debt Assessment District – By statute, the Village’s current bonded debt of \$2.16 million which was incurred by Village property owners must ‘remain’ with those properties for the balance of the payoff period unless an alternative agreement is specifically spelled out and approved in the new charter. The debt is scheduled to be paid in full in 2035. The Transitional Charter would therefore designate the entire former Village of Essex Junction as a Debt Assessment District which would justify a higher tax rate than the rest of the newly merged community specifically for the purpose of paying down this bonded debt. In concurrence with staff, the Subcommittee recommends a 12-year term for the district to align with the debt pay-down. The Village’s residual unassigned fund balance after merger would be retained and used to pay off the final (13th) year of the debt, based on the assumption that the merger charter is ratified by the Legislature in 2022.

Village as a Tax Rate Reconciliation District - To buffer the impact on Town Outside the Village property owners of merging the Village general fund with the Town general fund (*which would increase municipal property taxes on a T.O.V. home valued at \$280K by approximately \$330 if done in one year*) the Subcommittee recommends a transitional provision by which the tax rate differential between the Village and Town is phased-in over a period of 12 years at a rate that would increase taxes on a \$280K T.O.V. home by approximately \$26 per year. The Transitional Charter would therefore designate the entire former Village of Essex Junction as a Tax Rate Reconciliation District which would justify a higher tax rate than the rest of the newly merged community specifically for the purpose of gradually reconciling the two tax rates. Note that the transitional 12-year phase-in period aligns with the transitional 12-year Debt Assessment District. A more substantive explanation of the tax phase-in plan, calculated and developed by Sarah Macy, Finance Director, is outlined in the appendix of this report.

The extended phase-in period also helps address the concern stated by some T.O.V. respondents in the KSV quantitative survey that merger would require them to pay taxes for Village expenditures for which they had no opportunity to vote. The phase-in period would give T.O.V. citizens ample opportunity to learn about Village municipal operations and participate in the development of their budgets.

Village as a Sidewalk District – Nearly all Village residential and commercial properties are serviced by an interconnected sidewalk grid which is actively maintained year-round. Village sidewalks are the foundation of the Village’s identity as a ‘walkable’ community and an essential feature of its community development strategy and municipal plan. Many TOV residential developments and commercial areas also have sidewalks that are maintained by the Town government, but many do not. Over the course of coming decades, the Town may extend/expand the ‘outside the village’ sidewalk network but for the immediate future the Village’s comprehensive sidewalk grid is a municipally-provided benefit available to Village

residents but not immediately available to Town outside the Village residents. According to Atty Dan Richardson, who is advising the Subcommittee, the Village's sidewalk network could qualify the Village as a special service district for the purpose of raising additional revenue only from the residents who specifically benefit from it.

Designating the Village as a 'sidewalk district' for the 12-year transitional period would provide a mechanism for further reducing the tax impact on T.O. V. residents for reconciling the Town and Village general funds. During the transitional period the total amount of Village expenditures to be transferred to the new Town general fund could be reduced by approximately \$120K annually (*the approximate current cost of Village sidewalk maintenance/service*). Although this would only reduce the tax impact on T.O.V. properties by a few dollars, it would provide assurance to Village residents that an essential village service they depend on will not be compromised by merger; it would also signal to T.O.V. residents that merger will not require them to pay for a service that doesn't immediately benefit them.

Village as a Capital Improvement District – The Town and Village both have an extensive list of capital improvement projects each calling for expenditure of millions of dollars over the next decade. A major challenge for merger will be integrating these two lists to prioritize expenditures coming from one capital fund (presently, the Village pays for its own capital projects and contributes approximately 42% of the cost of Town projects). To 1) help defray the political and technical complexities of immediately integrating the two lists, and 2) provide Village residents assurance that important infrastructure repairs will not be delayed by merger, and 3) further reduce the tax impact of merger on T.O.V. taxpayers, the Subcommittee has explored the idea of designating the Village as a Capital Improvement District for the 12-year transitional period (or five (5) years to close out the five year capital plan). During the transitional period the total amount of Village expenditures to be transferred to the new Town general fund could be reduced by approximately \$400K annually (the approximate current cost of Village general fund transfers to its capital funds) with the money to be specifically used to pay down the Village's capital project list.

New capital projects in the Town-within-the-village that arise post-merger would be added to the newly-merged Town's capital project list to be prioritized and funded from a common capital budget.

Atty Richardson cautioned that the Legislature might be less accepting of this idea for designation of a special district (than for the sidewalk district described above) and we would be challenged to show how residents of one part of the community are receiving some general benefit that residents in another part of the community are not receiving.

Village Center as a Downtown Improvement District – The Village presently designates approximately \$120K in revenue it raises from property taxes each year to an economic development fund which is specifically intended to pay for improvements in the Village center zone ('downtown') ranging from purchase of private properties to street-scape and landscape

improvements to bike-walk improvements to funding community activities in the Village core. This specific extra-funding mechanism ('penny-on-the-tax-rate') is scheduled to sunset in the next fiscal year. The Subcommittee has explored the possibility of continuing this fund by designating the Village as a 'downtown improvement' district. Upon discussion with Atty Richardson it was determined that special downtown improvement districts in other communities (ex. Bennington), which raise revenue specifically for improvements in historic downtowns, raise revenue only from properties within their downtowns and not from the community at large. In the course of the discussion it was noted that the Essex Junction downtown is a state-designated downtown ('village center'), a state-designated Vermont neighborhood (exempt from Act 250 review), and a tax-stabilization district as designated by the Essex Junction government. Designating it as a special downtown for the 12-year transitional period could help further mitigate the impacts of reconciling the current Town and Village tax rates (as described previously for the other special district designations) but with the caveat that the additional revenues would probably need to come entirely from properties within the Village Center Zone. (George Tyler's note: This could be levied exclusively on village-center commercial properties. Within the overall framework of merger all Village commercial properties will see a gradual tax reduction. Those in the Village center would see less of reduction.)

Conferring with Vermont Legislature and Dept of Taxes – Atty Richardson and representatives of the Subcommittee intend to meet with appropriate members of the State Legislature and Dept of Taxes to review and discuss the overall financial challenges posed by the Essex Junction and Essex Town merger and our formative strategies for addressing those challenges, as outlined in this report. We recommend that the joint boards refrain from formally approving any specific transitional tax model(s) until these conversations with state authorities have occurred. We anticipate these conversations will occur in late January/early February.

Public Engagement – After our meeting(s) with State authorities, which might prompt revisions to our transitional tax model recommendations, the Subcommittee recommends that the joint boards consider presenting the various finalized transitional tax models for public engagement at the 2020 Town and Village annual meetings in March and April.

**VILLAGE OF ESSEX JUNCTION TRUSTEES
TOWN OF ESSEX SELECTBOARD
DRAFT SPECIAL MEETING MINUTES
Tuesday, January 14, 2020**

SELECTBOARD: Elaine Haney, Chair; Annie Cooper; Max Levy (Andrew Watts and Patrick Murray not in attendance).

TRUSTEES: Andrew Brown, President; Amber Thibeault; Raj Chawla; Dan Kerin; (George Tyler not in attendance).

ADMINISTRATION and STAFF: Evan Teich, Unified Manager; Greg Duggan, Deputy Manager; Sarah Macy, Finance Director/ Assistant Manager; Robin Pierce, Village of Essex Junction Community Development Director; Darren Schibler, Town of Essex Community Development Planner.

OTHERS PRESENT: Maura Collins; Nick Meyer; Michael Nosek; Ken Signorello; Margaret Smith; Neil Watson; Mia Watson; Irene Wrenner.

1. CALL TO ORDER

Andrew Brown called the Village of Essex Junction Trustees back to order from recess, and Elaine Haney called the Essex Selectboard to order, to enter into the Special Joint Meeting of the Village of Essex Junction Trustees and the Town of Essex Selectboard at 7:26 PM.

2. AGENDA ADDITIONS/ CHANGES

There were no additions or changes to the agenda.

3. AGENDA APPROVAL

With no changes to the agenda, approval was not required.

4. PUBLIC TO BE HEARD

a. Comments from Public on Items Not on Agenda

There were no comments from the public at this time.

5. BUSINESS ITEMS

a. Approve creation of Essex Housing Commission

ANDREW BROWN made a motion, and RAJ CHAWLA seconded, that the Trustees approve DAN KERIN as the Chair Pro Tem for this agenda item. The motion passed 4-0.

Mr. Brown recused himself from this agenda item due to a potential conflict of interest with his employer and joined the audience to participate as a community member.

Mr. Kerin introduced the issue of whether the Village Trustees and Selectboard would approve the creation of an Essex Housing Commission. He recapped the recent events leading up to this, including the adoption of the Town of Essex and Village of Essex Junction Housing Needs Assessment and Action Plan on November 26, 2019, at which time the boards instructed staff to develop a proposal for a joint Town and Village housing commission. Mr. Schibler explained that staff collaborated with Maura Collins and Mia Watson of the Vermont Housing Finance Agency (VHFA) to develop a charter for such a commission. He added that the proposed charter outlines roles, responsibilities and structure of the committee and includes a potential job description. Mr. Schibler and Ms. Collins clarified that the commission will focus overall housing, not only affordable housing. They described other areas of focus, including rental and housing accessibility and said they will consult the Health

Officer as needed. Mr. Teich discussed a vision that the commission be long-standing, address relevant needs and be made up of experts in the field from Essex and potentially beyond. Mr. Chawla, Mr. Kerin and Ms. Haney clarified the commission member appointment process of interviewing candidates at joint meetings. Mr. Chawla suggested that the commission regularly provide updates of its work to the boards.

Ms. Haney opened the floor to community comments. Mr. Meyer requested that the commission implement a rental home registry and inspection process to ensure community safety. Ms. Smith expressed concern that the wording in the charter could result in all of the people on the committee being from the Village of Essex Junction, and not equally represented from the Village and Town outside the Village.

MAX LEVY made a motion, seconded by ANNIE COOPER, that the Selectboard approve the proposal for a Joint Essex Housing Commission and authorize staff to begin advertising for members. The motion passed 3-0.

DAN KERIN made a motion, and RAJ CHAWLA seconded, that the Trustees approve the proposal for a Joint Essex Housing Commission and authorize staff to begin advertising for members. The motion passed 3-0.

At 7:41, Mr. Brown returned to the meeting.

b. Approve outreach plan for 2020 merger process

Ms. Haney introduced the issue of outreach for the 2020 merger process, explaining the goal of engaging in discussions with residents on the topics important to them. This would take place at public meetings on the weekends, with snacks and childcare available. She proposed a four-month timeline for the meetings based on topics: why we chose merger, taxation, representation, and impacts on departments and finances. The board members discussed the challenge of constraining conversations to specific topics but agreed with the importance of encouraging community feedback. Mr. Kerin and Ms. Cooper brainstormed additional outreach strategies including attending events, sharing leaflets and conducting on-the-spot polling. Mr. Teich discussed possible polling software. Mr. Chawla suggested that busing be available to the meetings and Mr. Teich requested that board members work with staff to identify dates and accessible locations.

Ms. Haney opened the floor to public comments. Ms. Wrenner spoke about the Town outside the Village being delineated through polling software. She also expressed her concern that board members may not use the feedback gained from the public meetings to help inform the merger process. She mentioned various efforts that she felt did not seem to inform decision making. Ms. Haney countered with examples that she viewed as effective feedback-gathering efforts and described how compromise in decision-making served a role when multiple opinions on the topics related to this merger were presented.

MAX LEVY made a motion, seconded by ANNIE COOPER, that the Selectboard approve an outreach plan as designed in the memo for the 2020 merger process. The motion passed 3-0.

DAN KERIN made a motion, seconded by AMBER THIBEAULT, that the Trustees approve the outreach program as presented. The motion passed 4-0.

c. Discuss creation of Greater Essex 2020 Companion Facebook Page for events

Mr. Duggan introduced the issue of whether the boards would approve the creation of a GreaterEssex2020.org companion Facebook page for the purpose of creating Facebook “Events” to invite the public to public meetings regarding merger. The Selectboard members and Trustees discussed and agreed that it is important for the handler of the page to ensure that any “comments sections” on the page or on any of the events are not visible or used by the public. Mr. Levy pointing out that there is no policy written that identifies how to handle these types of comment and Mr. Kerin added that the page should clearly state how to forward questions to staff, Selectboard members and Trustees. Mr. Chawla reminded the board members that when an event is shared by someone on their personal pages, they will not be able to control comments made on these other pages.

RAJ CHAWLA made a motion, and DAN KERIN seconded, that the Trustees approve the creation of a Greater Essex 2020 companion Facebook page for the primary purpose of creating Facebook Events for public meetings regarding the merger, with comments turned off. The motion passed 4-0.

ANNIE COOPER made a motion, seconded by MAX LEVY, that the Selectboard approve the creation of a Greater Essex 2020 companion Facebook page for the primary purpose of creating Facebook Events for public meetings regarding the merger, with comments turned off. The motion passed 3-0.

6. CONSENT AGENDA

- a. **Approve application for Emerald Ash Borer Management Grant**
- b. **Approve minutes: November 26, 2019 – Joint Meeting (Trustees only)**

ANDREW BROWN made a motion, seconded by DAN KERIN, to that the Trustees approve the Consent Agenda. The motion passed 4-0.

MAX LEVY made a motion, seconded by ANNIE COOPER, that the Selectboard approve the Consent Agenda with Selectboard comments:

- Mr. Levy praised the inclusion of Emerald Ash Borer management information.

The motion passed 3-0.

7. READING FILE

a. Board Member Comments

- Mr. Levy announced that he will not be seeking a fifth term on the Selectboard in March 2020.
- Mr. Chawla, Annie Cooper and Mr. Teich discussed the success of the Gather at the Table event, noting up to 500 people in attendance, good food and active community engagement in planned activities. They described it as professionally executed and expressed thanks to the committee who organized it.

b. Email from David Gunn on behalf of Karen Horn re: U.S. Census Information

c. Letter from Boys & Girls Club of Burlington re: gift in memory of Rod Willingham

8. EXECUTIVE SESSION

a. *An executive session is not anticipated

An executive session did not take place.

9. ADJOURN

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MAX LEVY made a motion, seconded by ANNIE COOPER, for the Selectboard to adjourn the meeting. The motion passed 3-0 at 8:32 PM.

ANDREW BROWN recessed the meeting to enter back into the meeting of the Village of Essex Junction Trustees at 8:32 PM.

Respectfully Submitted,
Cathy Ainsworth
Recording Secretary

Town and Village Christmas Tree Pick-up



TREES, TREES AND MORE TREES!

Recently, the Town and Village Highway Employees, assisted by personnel from the Essex Parks and Recreation Department picked up and recycled over 1855 Christmas trees from the community. At an estimated original cost for these trees in excess of \$75,000, the value quickly drops after the holidays to that of a recycled product useful for its energy value as a heat source. The picture only shows one load of the many that were collected. Thanks to all the employees who picked up and helped to recycle the trees.