

## Town of West Fairlee

870 VT Route 113  
West Fairlee, VT 05058

February 13, 2014

Testimony of Delsie Hoyt, Chair, West Fairlee Selectboard  
Provided to the House Ways & Means Committee  
Re: Tax Exemption Provision for Municipal Lakefront

I appear before this Committee with the full support of my colleagues on the West Fairlee Selectboard. We respectfully urge repeal of a special property tax exemption passed in 2013 session; but we support passage of a “replacement” provision now contained in the 2014 Miscellaneous Tax Provisions.

Last year, a special provision in the tax corrections bill exempted two parcels from property taxes: land owned by Hardwick located in Greensboro on Caspian Lake; and land owned by Thetford on Lake Fairlee (known as “Treasure Island”), most of which is located in the Town of West Fairlee. We understand that Hardwick and Greensboro worked jointly to craft this provision. Thetford’s property was added in the final hours of the 2013 session -- without consultation with the Town of West Fairlee – and it was undoubtedly assumed that these two properties were similar. This is not the case.

Hardwick’s beach located in Greensboro is small with just 225 feet of lake frontage and few improvements. In contrast, the land owned by Thetford in West Fairlee is 10.6 acres with 1700 feet of lake frontage. For context, prime lakefront properties in West Fairlee have 300-400 feet of frontage; the average is closer to 100 feet. There is a dwelling on the property and other improvements including tennis courts, shelters, and other outbuildings. Assessed at \$1.26 million by our recent reappraisal, this parcel is the third most valuable in the Town of West Fairlee after the Aloha Foundation (a non-profit operating children’s summer camps on the lake) and Green Mountain Power. Total property tax due to the Town of West Fairlee in 2013 was \$28,450.00; approximately \$9,400 of that is municipal tax.

In the mid 1970’s, West Fairlee had the opportunity to purchase the property. By vote, the Town decided it could not afford to remove such a valuable property from the Grand List, nor could it justify the expense of operating a public beach. We must emphasize that West Fairlee residents have never received free or discounted admission to Treasure Island. In the late 1990’s, Thetford requested property tax exemption from the Town of West Fairlee for Treasure Island under 32 VSA 3802(4) and was denied.

While we sympathize with Thetford’s desire to reduce the tax burden of providing this expensive community amenity, the Town of West Fairlee should not be required to donate over \$9,400 dollars of municipal taxes to support an amenity from which our residents receive no special benefit. The Statutes already provide a mechanism in 32 VSA 3802 through which a Town may determine for itself which public services are of sufficient value to its residents to be considered for exemption. We believe these decisions are best left in the hands of the Town and its voters.

The proposed language of Sections 9 and 10 “replacement” provision is a compromise West Fairlee can support .