

Hello All,

My name is Meghan Okolita, my husband David and I took over the Northwood Gallery in Stowe almost a year and a half ago. Our gallery exclusively features Vermont artists, providing a connection point for customers and over 80 Vermont residents who are artists.

I'm here today to discuss the negative impacts that raising the towns tax to 2% will have on our business and the local community.

When we first took over the gallery and reviewed the financial reports, we were quick to notice that this business depends on the tourists to survive. The tourism business is dependent on not only a strong national economy, but here we are also dependent on the weather. While there was a nice uptick this winter, we also saw out west that one bad ski season is all that stands between many small businesses and bankruptcy.

Last foliage season was another example of the negative impacts of a changing climate. How many years of brown leaves will keep people coming here? What happens if tourism dries up? Who will pay the 2% tax then?

Our hope had been to get more locals to shop with us and shift that perception that "Stowe is too expensive for locals" This tax only widens that gap.

Stowe is a beautiful town, bustling with restaurants, shops and outdoor enthusiasts. People feel safe here and it still holds the Vermont charm that so many know and love. Why should Stowe only be accessible to those with money?

We have lost sales due to the 1% sales tax, so I can only imagine how off putting it will be for visitors from states with much lower taxes to now see a 2% town tax. Implementing an 8% tax on people who are funding our tourist dependent economy seems completely counter intuitive to us.

Some of those in favor of the local tax increase cite the ability of the ski tourists to absorb the cost increase. We would like to add that the bulk of our business does not come during the ski season. While the average ski visitor may have enough disposable income to pay an increased local tax, the fact remains that many of our guests are traveling here in the summer and fall months. Based off of our sales data, these customers are spending less per transaction than our winter visitors.

We have the same bills to cover during the shoulder seasons. April and November are months where we really depend on locals to come to our store in order for those months to not be a total loss. Locals will not shop in Stowe with a 2% tax when they can go to a neighboring town or online for the same products at a lower price.

This will also directly increase what we pay the credit card company every month. For example, if an item costs \$100, we charge the customer \$107. Then we pay the taxes

owed, and are also paying the cc company 3% on that \$107. Raising the tax to 8% will increase what we owe the cc company without us seeing any benefit of it.

Please take another look at everything. We hope the town can find another avenue to pull the money they need to continue maintaining this beautiful community. Perhaps those with second homes and air bnbs can contribute to this effort.

This policy feels anti business. Adding this tax would only discourage people from visiting at a time when gas prices are rising and we are already seeing the negative impacts on summer travel. Everything is very expensive in the world right now, let's do what we can to keep Vermont accessible to people who want to come up here and spend some time in the mountains.

Thank you,
Meghan and Dave Okolita
Northwood Gallery