

Good Morning, my name is Melinda Moulton and I am the CEO and Redeveloper of the Main Street Landing Company in Burlington, Vermont. We own over 220,000 square feet of commercial property on Burlington's Waterfront. I serve on the Board of the Vermont Public Interest Research Group and the Vermont Businesses For Social Responsibility.

Main Street Landing pays a lot of taxes, and NO one likes taxes. Everyone wants to pay less - am I right? Of course I am. If Main Street Landing paid less taxes, we could pass on more savings to our tenants, pay our employees more, contribute more to Vermont's non-profits, and put a little more into our bottom line.

As a redeveloper, I am especially sensitive to the impact of property taxes. Main Street Landing's property taxes in Burlington increased substantially this year. Not only is it easier and cheaper to build on a field with acres and acres of surface parking, but, in many cases these suburban developments pay less in property taxes than the downtown developments.

Let me share with you some ideas I have regarding the present tax structure, and how it can be changed to reward businesses who care about the environment and the social fabric of our State as well as create incentives for developers to build green, protect our environment, focus on local tenants, and remain in our downtowns..

We should tax big box stores that contribute to sprawl, and give the extra money we raise back to the businesses that locate in downtowns and village centers. The national stores that fill our Vermont fields are not local businesses, and every dollar you spend there leaves Vermont

almost immediately for banks in places like Idaho, Ohio, or Mississippi.

Locally-owned Vermont Businesses hold on to your dollars and they stay in the State for a long time. Also, local Vermont businesses are more likely to serve on non-profit boards, and reinvest in their communities.

So, doesn't it seem fair & reasonable for us to have a higher tax for the out-of-state big box developments locating in farm fields, and pass on that extra tax amount as a savings for local businesses who are investing in our local downtowns and city centers?

Also, we should tax oil consumption a little bit more, and put the extra money into funding freight and passenger rail and mass transit. The tenants and employees in Main Street Landing's buildings would save a bundle if they could ride a train or a bus to work. We should use a small percentage - say one penny per a gallon of gas - to support public transit. On a fill up, that would be about 20 cents, and we all know how much we can save if our cars stay in the garage, and we take public transit to work.

Some of that funding should also go to provide tax benefits for folks who purchase alternative fuel vehicles.

Again, this tax shifting rewards behaviour that enhances our environmental and social wellbeing. It inspires and encourages businesses and individuals to make choices that protect Vermont's beauty and environmental integrity.

If we allowed local towns and cities to value their buildings and properties separately, my community could decide whether to charge the Main Street Downtown businesses the same property tax rate as a Big Box National Store that sits on the edge of town.

In closing, taxes should be levied to inspire good green development, environmental integrity, and social responsibility. Business needs to take a leadership role in protecting our social fabric and our environmental health. A fair and equitable taxing system needs to be adopted in Vermont to protect what is most valuable to Vermont - its environment and natural beauty. We should reward those

businesses that “do the right thing”. And, we should make up the difference by passing on the higher tax to those businesses that contribute to the unhealthy social and environmental fabric our State.

No revenue will be lost with this plan - it is just a shifting from one source to another.

But.... what will be gained....what is the upside? It is a more noble, thoughtful, caring, and inspired growth pattern for Vermont that treasures our environment and embraces and protects the heart & soul of our communities.

*Thank you!
Melinda Moulton
1.24.06*