



**TOWN COUNCIL
Public Hearing
May 29, 2007
7:30 p.m.**

At approximately 7:30 p.m. in Town Council Chambers, Mayor Dora Sullivan called to order the Public Hearing intended to hear comment on the proposed 2007-2008 FY budget. In addition to Mayor Sullivan, present were Councilmen Elliott, Bannon, Burdiss and Brown. Also present were Town Manager Bob Panek, Town Treasurer Pat Buckley, Town Clerk Joy Pelletier, and approximately 8 members of the Public.

PUBLIC COMMENTS

Oral Lambert – Bay Creek Resort & Club & President of the Northampton Chamber of Commerce.

Mr. Lambert spoke from the perspective of Bay Creek Resort & Club. He first mentioned that Bay Creek understood this tax was a “pass-thru” charged to the travelers and passed to the Town. Mr. Lambert stated that there was a perspective that taxing tourist and travel related activities is inconsequential and that tourists really don’t object to the extra fees as it is part of the vacation. He then quoted several articles written about taxation of the tourist industry and how people do make travel plans that react to the cost increase caused by taxation. Mr. Lambert further mentioned the growing concern that the travelers are being taxed to fund projects that have nothing to do with the tourism industry and asked the Council to be wary not to fall into that same trap. He suggested increasing an existing tax by a small percentage may be more amenable to the public and less threatening to the tourism trade.

When speaking on behalf of the Northampton Chamber of Commerce, Mr. Lambert made it clear the Board had not taken a position on the tax. As the President of the organization, however, he asked the Council to be wary of any unintended negative impact on business.

Mr. Lambert’s next comments were focused on the water and sewer connection fees. He stated Bay Creek was in full support and endorsed the approach of raising needed revenue for reconditioning and expanding the capacity of the water and sewer plants by using connection fees. He did ask Council to use prudent caution in establishing the rate and possibly not establishing the rate until they knew what would be happening on a regional basis. He indicated not only did the Developer not want to see a fee too high, but was concerned with a fee too low. Mr. Lambert also suggested that once the needed revenue was raised, a second look should be made to possibly reduce the connection fees.

He also encouraged making it clear that the funds would be used for the water and sewer system upgrade and expansion.

Dave Burden – Owner SouthEast Expeditions

Mr. Burden addressed the short term rental tax. He asked that Council make a regional effort to have all Town/County tourism related taxes consistent. He asked that all segments (business, tourism commissions and Chamber of Commerce) work in co-operation. He added that small business have more cost in collection and payment of the tax than the tax generated.

Motion to adjourn made by Councilman Brown, seconded by Councilman Bannon and unanimously approved.

Mayor

Town Clerk