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Critics, advocates disagree on Lower Macungie fees for developers

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OF THE MORNING CALL

November 24, 2009

As officials in Lower Macungie take a second crack at imposing traffic impact fees on developers, critics are saying the long-debated plan may do more harm than good.

Township commissioners plan to vote next month on a law requiring developers to pay an \$1,800 to \$1,900 fee toward traffic improvements for every weekday rush hour vehicle they add to township roads. The fees would help pay for traffic improvements that could cost as much as \$37 million over eight years.

Advocates of the plan say the time has come to hold developers accountable for traffic that has grown increasingly congested in the Lehigh Valley's third-most populated municipality.

Others argue it would lead to a dreaded property tax in one of the few municipalities that has managed to avoid taxing property.

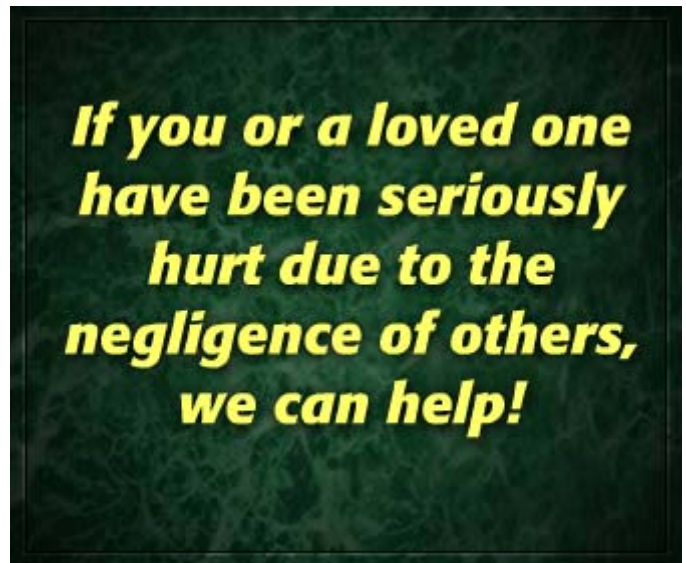
Commissioners on Thursday approved a plan outlining traffic improvements needed to accommodate anticipated development through 2018. State law allows municipalities to charge developers a fee for transportation costs if they complete an analysis of future growth and the traffic costs associated with it.

Lower Macungie's plan calls for developers to chip in as much as \$7 million toward \$37 million worth of work. The township and state would have to foot the balance, leading some to question how that would be done.

Almost everyone involved in the plan agrees the township stands little chance of getting a cent from the state Department of Transportation, meaning Lower Macungie could be staring at a hefty price tag. Bill Erdman, the township's engineer, said in his research, he could not identify any project in the Lehigh Valley paid for with impact fees that received state funding.

Among the municipalities that already impose the fees are Whitehall and Upper Macungie townships in Lehigh County, as well as the townships of Bethlehem, Lower Nazareth and Hanover in Northampton County, according to the state Department of Transportation. The fees in those municipalities range from \$57 to about \$800 per vehicle trip.

Allentown attorney Joseph A. Zator II, who represents multiple Lower Macungie landowners, told the



township's traffic impact fee advisory board to be cautious. He questioned why the township would move forward with the plan if it is fairly certain it won't receive much funding from the state.

If all of the development anticipated in the plan materializes and the township plans to stick to its improvements plan and PennDOT pays nothing, the township would have to pay an average of \$3.75 million annually for the work, a price tag that would necessitate a property tax, Zator said.

He said the township, by imposing the fees, would effectively end a longstanding practice of negotiating with builders willing to help pay for road work.

Jim Gentile of North Star Construction Management of Upper Macungie said manufacturing companies may opt to move out of the township if building new plants or expanding existing operations will cost hundreds of thousands of dollars in impact fees.

Commissioners Douglas Brown and E. Keller Kline III said the township would be shooting itself in the foot if it doesn't impose the fees. They said the township doesn't have to do all of the improvements outlined in the plan and that it can return the impact fees to developers if it can't fund its share.

"I think we're kidding ourselves," Kline said. "We need the money. To say no at this point in time is just doing us a disservice."

Commissioners were prepared to impose the fees earlier this year until they realized that they neglected to approve a resolution officially recognizing the township's traffic impact fee advisory committee, thus nullifying months of work.

At that time, the proposed impact fees would have been as high as \$3,298. The newly proposed fee is lower because in between the time the township discovered its error and began the process a second time, builders had a window to submit development proposals and get grandfathered from new regulations, thus avoiding having to pay impact fees.

Commissioners plan to vote on the impact fee ordinance at their Dec. 17 meeting.

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