

Commissioners Could Move On Impact Fees Next Month

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Commissioners Could Move On Traffic Impact Fees Next Month

SANATOGA PA – A proposal that would allow Lower Pottsgrove to pay for future transportation-related expenses by collecting new fees from real estate developers, instead of potentially passing some or all of those costs on to local taxpayers, was put off Thursday (Aug. 22, 2013) for about two weeks.

When the Board of Commissioners next meets Sept. 5, President Jonathan Spadt said he intended to ask his four colleagues if they would establish a transportation impact fee advisory committee. If created, it would give the township an immediate opportunity to collect additional money from developers and builders for almost any new land use project, from shopping centers to housing communities.

Whether that's a good idea or not – more specifically, whether it will help or hurt Lower Pottsgrove's chances of attracting new business and employment – was a matter of some debate during Thursday's session. And even if a committee is formed and recommends a fee schedule, commissioners acknowledged the idea may go nowhere.

At stake over several years is millions of dollars that, board members concede, they may be forced at some point to pay for widening and improving existing roads or building new ones to control vehicular traffic that development attracts. They pointed to state-demanded improvements near the Sanatoga interchange of U.S. Route 422 as one example, estimated to cost between \$12 million and \$20 million.

The board's goal Thursday was to hear experts discuss traffic impact fees and the manner in which they're imposed. But it also voted 3-2 to direct its staff to assemble documents needed to set up the committee, "with the understanding we will be moving forward on this at the next meeting," Spadt said. He and commissioners Michael McGroarty and James Kaiser favored the advance preparation; Vice President Bruce Foltz and Commissioner Stephen Klotz opposed it.

Impact fees are legally limited to pay for only the costs of transportation capital improvements caused by and attributed to new development, according to Greg Richardson of Sanatoga-based Traffic Planning and Design Inc., one of two featured speakers. That differs from what Planning Commission members were told last June, when it was suggested fees could also offset expenses like police department manpower for traffic control.

"That's a common misconception," Richardson said.

What fees can cover are roadway improvements, and design, right-of-way, utility and construction costs. The fees "throw the costs back on developers, and make them pay their own way," Richardson added. Savvy developers who see a market potential for their projects aren't

shy, in turn, in passing those same costs onto buyers or lessees. They recognize impact fees as a business expense, he said.

The process to determine a fee structure, based on the number of vehicular trips any project draws, can be a lengthy one for some municipalities. In Lower Pottsgrove's case, though, the work is substantially completed, thanks in part to planning work conducted in recent years by the landscape architecture firm of Simone Collins in cooperation with neighboring Limerick Township, principal Peter Simone claimed.

The most time-consuming component of imposing fees – gathering information for a land use assumptions report that becomes the founding premise for why fees are needed – is 80-percent done, Simone said. Completing it may take only a few months, he told commissioners. “You’re already well on your way,” Richardson chimed in.

Most townships surrounding Lower Pottsgrove impose fees, the board learned; it asked for a comprehensive list. The key in keeping developers interested, Richardson added, is ensuring fees are reasonable: not too high to scare them away, but not so low that they fail to pay for necessary improvements.

“Well that’s the real question, ‘Does it scare away business?,” Klotz pointed out.

Klotz said he was troubled the township found itself having to consider impact fees at all. “We’re trying to fix a problem that’s already been created. We’re going to have to help pay to redo that interchange, and all the development has gone to the Limerick side, and we haven’t seen any benefit at all from it.”

Foltz, too, worried fees could damage the township’s chance to grow commercially, and specifically opposed any plan to impose fees immediately after a study committee formed.

Commissioners in years past rejected a similar impact fee proposal. Even if a committee delivers recommendations to the board, it is not obligated to accept them and could again vote to continue without fees.