



## The Patriot-News

### Home-building fees sought to ease growth

Bill would allow towns to charge \$13,000 per house

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**BY CHARLES THOMPSON**  
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The cost of a new house in most of the midstate's development hot spots could rise by \$13,000 under a bill before the General Assembly.

Municipalities in six area counties -- Adams, Cumberland, Franklin, Lancaster, Lebanon and York -- would be able to impose fees of \$13,000 per single-family house and \$15,500 for multifamily units. In some cases, the fees could be higher.

The average cost of a new home in the area is \$276,000, according to Coldwell Banker.

Municipalities in Dauphin and Perry counties, where growth is slower, would not be able to impose the fees.

The bill's sponsor, Rep. Stephen Maitland, R-Gettysburg, said it is intended to help growing areas pay for services and schools. He said he hopes to spread growth across the state more evenly and to encourage rehabilitation of homes in town centers.

Some local officials said the bill might help areas facing development pressure.

Real estate agents and builders said it would be a poison pill for the state's relatively few boom areas.

#### **A matter of fairness:**

Hearings on the bill, which Maitland introduced this month, could be held this summer.

"Somebody builds 100 houses down the road, and my grandmother's taxes go up. It's not fair," Maitland said. "Here's a way to get cash in hand so if you have to build a new school, you're not automatically raising taxes on current residents."

Maitland's idea would apply to counties having three consecutive years of population growth of 0.75 percent or more. Municipalities in those counties would have the option of imposing the fees.

The fees, payable when building permits are obtained, could double in developments where the public schools are at 90 percent capacity or higher or where studies indicate that traffic flow would significantly deteriorate.

If a town imposed the fees, the revenue would be split with the school district. Local governments could use the money for traffic lights and fire trucks. School districts could use it for new buildings.

Counties could impose an additional 1 percent real estate transfer tax, pushing the current levy from 2 percent to 3 percent. That income would be split between the counties and the school districts. Similar fees could be imposed on commercial buildings.

The bill would exempt farm and government construction and allow officials to waive fees for projects that serve an "overriding public interest," including housing that's affordable to lower-income buyers.

#### **Pros and cons:**

Brad Elliott, president of the Pennsylvania Builders Association, said the bill would spoil the state's few pockets of prosperity.

Residents in midstate counties, where growth rates topped out last year at Franklin County's 2 percent, "should be happy that they have something happening in their economy," he said.

The Northeast had one county ranked among the 100 fastest-growing in the latest U.S. Census Bureau estimates: Pike County in northeastern Pennsylvania was 72nd.

But some midstate elected officials praised the bill.

"I like the whole idea," said South Middleton Twp. Supervisor Bryan Gembusia, whose township has plans for thousands of homes. "I do think a developer should have to pay for the true impact of a development, and having the ability to charge a fair fee like that would be great."

Janet Milkman, president of the advocacy group 10,000 Friends of Pennsylvania, said the bill can't cure sprawl problems without better transportation planning, incentives for intermunicipal cooperation or more teeth for local comprehensive plans.

But it could help places saddled with development pressure, she said.

"If development is allowed everywhere, and in Pennsylvania it essentially is, then you have to figure out how the taxpayer doesn't get hammered when development goes into places where it's going to add to the cost of services and everything else," Milkman said.

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