

# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Fiscal sustainability needed

On Monday, we discussed the tremendous potential Pottstown has to become one of Pennsylvania's premier "sustainable" communities.

But an essential element to "sustainability" is fiscal prudence. Exorbitant taxes are suffocating this town.

Last year, Pottstown was highlighted in the Sunday real estate section of the Philadelphia Inquirer — and it wasn't pretty.

Under the headline "Borough still awaiting its comeback," the Inquirer quoted an area realtor as saying Pottstown "is one of the few places that hasn't made any kind of comeback" since the nationwide housing crash of 2008.

Though just about every market in the eight-county Philadelphia region has a shortage of supply, Pottstown's problem is an excess supply and very little demand, the Inquirer reported. "Pottstown just isn't seen as a desirable place to be," one realtor said.

In the last 12 months, 216 houses were sold in Pottstown for an average price of just \$89,000.

At present, Pottstown has an inventory of 253 unsold houses.

Of those, 109 houses are listed for less than \$100,000, at a median price of \$66,000.

The other 144 homes are listed for more than \$100,000, at a median price of \$150,000.

These prices are by far the lowest in the region.

Pottstown's real estate woes are made clear in the total assessed value of its properties.

In 1998, Montgomery County reassessed all properties, and that is the base year we still use today. Unlike other municipalities, Pottstown's tax base has not grown. In fact, our tax base is lower today than it was in 1998.

There are several reasons why Pottstown is struggling, but the main one is high taxes.

"Taxes are ridiculous for the price of the housing," one realtor

told the Inquirer.

Happily, Pottstown Borough Council passed a 2015 budget with no tax increase — although the borough tax rate is still 90 percent higher than it was a decade ago.

The school board has pledged to pass a budget for the upcoming 2015-2016 school year with no tax increase — for the first time in living memory.

This needs to become the norm.

A big part of sustainability is government living within its resources.



Commentary by  
Tom Hylton

Pottstown's Shrinking Tax Base	
Year	Total assessed valuation
1998	\$816,841,351
1999	\$815,336,411
2000	\$811,451,511
2001	\$811,270,791
2002	\$810,501,750
2003	\$806,218,259
<b>2004*</b>	\$834,552,749
2005	\$830,652,557
2006	\$834,827,477
2007	\$838,545,347
2008	\$829,017,802
2009	\$826,475,792
2010	\$817,728,017
2011	\$817,767,813
2012	\$812,279,226
2013	\$813,227,426
2014	\$813,390,719
2015	\$810,387,119

*Pottstown's assessments leaped in 2004 when the non-profit Pottstown Memorial Medical Center was sold to Community Health Systems. The hospital is assessed at \$22.6 million. Even so, Pottstown's tax base is lower than it was in 1998.*