

# POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

## Hill needs to invest in Pottstown

As Pottstown becomes poorer, The Hill School is growing in wealth.

The total assessed value of Pottstown's taxable real estate is actually lower than it was in 1998, the last time the county reassessed.

In the last 12 months, 216 houses were sold in Pottstown for an average price of just \$89,000. Another 253 houses are on the market.

Pottstown's financial decline has been rapid. In 2004-2005, half the school districts in Pennsylvania were wealthier than Pottstown. Now, just ten years later, 75 percent of the districts in Pennsylvania are wealthier than Pottstown.

At the same time, the percentage of low-income students in the district has risen from 53 percent to 70 percent.

About 20 percent of Pottstown's real estate is tax-exempt.

For years, Pottstown has levied among the highest tax rates in the state. Meanwhile, The Hill School owns the most valuable property in Pottstown, assessed at more than \$42 million, which is tax exempt. It avoids an annual \$2.2 million real estate bill because of its tax exempt status. And as the Hill School campus expands, the number of tax-exempt properties increases.

The school serves an affluent population. About 60 percent of its 515 students' families pay full tuition (\$53,500 for boarders).

The school has a \$153 million endowment and the proven ability to raise tens of millions of dollars from its constituency.

Last year, according to The Hill News, the school launched a \$175 million "comprehensive campaign" to pay for new and renovated buildings, to boost its endowment, and to help fund operating expenses. About 3 percent of those funds will be earmarked to improving a three-block area surrounding the school.

Let's say this: It's a start, but a small one.

Whatever financial contribution The Hill makes to the community, the school will be repaid many times over from alumni who want to see their alma mater helping Pottstown.

Last year, the New York Times published a commentary by Arthur Brooks, head of the American Enterprise Institute, asserting that giving stimulates prosperity.

As implausible as it seems, Brooks said, donors end up making more money after making their gifts. Giving helps people develop problem-solving skills needed in all aspects of life.

The Hill News reported that about 22 percent of alumni make donations to the school. Perhaps that percentage would increase if alumni saw The Hill School investing money to revive and enhance Pottstown.

It's no secret The Hill School's greatest recruiting problem is the town where it is located, with a high poverty neighborhood adjacent to the campus.

Instead of devoting fundraising solely for its campus, perhaps The Hill should make a commensurate investment in the town.

**(Saturday: Gov. Wolf)**



Commentary by  
Tom Hylton



**OFF THE TAX ROLLS — In 2009, The Hill School purchased this lovely Victorian home on High Street across from the Goodwill Fire Co. for \$285,000. The building was subsequently reclassified as tax-exempt.**