

POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

Do your LERTA homework!

Last April, a presentation was made to the Pottstown School Board by the borough's economic development director, Steve Bamford, about LERTA — the Local Economic Revitalization Tax Assistance law.

At present, when a property is improved, its assessment — and its real estate tax bill — go up. A LERTA ordinance allows local governments and school districts to defer those higher taxes for up to 10 years.

The idea is to attract new development by giving property owners a temporary tax break to improve their properties.

Nothing in writing

Bamford's presentation consisted of four Power Point slides explaining the mechanics of the proposed LERTA. That was it.

History of LERTAs

The Pennsylvania legislature authorized LERTAs nearly 40 years ago. Cities like Easton, Bethlehem, Lancaster and York have had them for years. So do boroughs like Wymissing and Phoenixville. There are different ways of doing them.

But we have not been provided any written analysis from Bamford. School board members and councilors have had to do their own internet research.

Most LERTAs apply to residential properties, but the proposed Pottstown LERTA will apply only to commercial, industrial, and other business properties.

LERTAs are typically applied only to certain designated areas of a municipality, but Pottstown's will cover the entire borough.

Why? There may be very good reasons, but the Pottstown School Board and Pottstown Council have yet to hear what they are.

Phoenixville

Last week, Phoenixville Area School Board member Joshua Gould made a presentation to the Pottstown School Board about his district's LERTA program. Unlike Pottstown, Gould's district covers three municipalities — Phoenixville

Borough, Schuylkill Township, and East Pikeland Township. Also, unlike Pottstown, Phoenixville Area School District is one of the wealthiest in the state.

Gould made an excellent presentation, offering help as an unpaid volunteer.

He pointed out Phoenixville Borough's LERTA targets only certain areas designated in its ordinance. So far, only a few property owners have used the program.

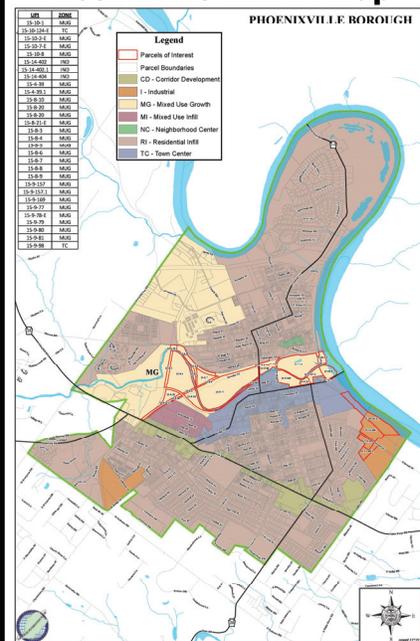
For my part, as a Pottstown school board member, I'm inclined to support a LERTA on a case-by-case basis to see how it works out.

I'm also open to doing it another way. But we need a written analysis of various options, which we've been asking for time and again. If we can't even do that, how can we successfully carry out a LERTA, no matter how it's structured?



Commentary by
Tom Hylton

Phoenixville LERTA map



Phoenixville's LERTA map as taken from its website. There has been no written analysis provided for a proposed LERTA program in Pottstown.