

Written Input
on the
Governor's Charge
to the
State Planning Board

Input from presenters at the December 1, 2016 meeting

Presenter	Page
Pennsylvania Chapter American Planning Association	1
County Planning Directors Association of Pennsylvania	7
County Commissioners Association of Pennsylvania	11
Pennsylvania Municipal League	17
Pennsylvania State Association of Township Supervisors	21
Pennsylvania Economy League	26
Pennsylvania Electronic Government Consortium	30
Pennsylvania Infrastructure Investment Authority (PENNVEST)	35
York County Planning Commission	37
Housing Alliance of Pennsylvania	41
Pennsylvania Downtown Center	46

**Pennsylvania Chapter of the American Planning Association
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**Written commentary from the Pennsylvania Chapter of the American Planning Association
(APA)
to the Pennsylvania State Planning Board Regarding Governor Wolf's Charge to Provide
Recommendations on Infrastructure and Regional Planning, Government Fragmentation,
and Revitalization of Struggling Communities**

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The chapter is grateful for this opportunity to offer comments to the Pennsylvania State Planning Board on the recent charges from Governor Wolf. There are over 2,000 professional and citizen planners that are members of the chapter. We believe the governor's charge to the planning board recognizes the importance of open dialog about policy choices affecting the lives of citizens. The value of local and county planning commissions has been well established in providing valuable perspectives to their elected officials. The State Planning Board should continue to serve a similar role for the governor.

Pennsylvania has all the characteristics to be a truly great 21st Century place. We must be strategic. The Commonwealth should consider carefully how it can remain competitive by providing a high quality built, agricultural and natural environment; infrastructure; training for the workforce; clear economic development goals; and efficient governance. State government should be goal-oriented and intentional in this regard. Our chapter supports a vital state planning board as a means to accomplish strategic and goal-oriented policy development and implementation. The Pennsylvania State Planning Board should develop a vision for the Commonwealth for the 21st Century. We call on Governor Wolf to fully support the board with staff and adequate funding.

Pennsylvania has a broad range of planning and intergovernmental cooperation laws and techniques that are constitutionally guaranteed. Examples include the Intergovernmental Cooperation Act and the Municipalities Planning Code. Too often, legislative gridlock has been the reason for inaction on critical infrastructure, intergovernmental, and urban revitalization efforts. The chapter urges the planning board to first look for non-legislative actions in the form of best practices currently enabled by Pennsylvania law as a means to foster real regional outcomes in the short-term. Legislative remedies should be viewed as long-term remedies and should not delay progress on these issues.

1. Infrastructure Work Group

Infrastructure planning is an essential function of government and should be done in a way that delivers services in the most efficient and fiscally responsible manner possible. Regional planning has been found to be essential to efficient service delivery. The chapter supports regional planning and coordinated infrastructure as a means to responsibly and equitably provide sewer, water, transportation, high-speed data connections, and other infrastructure improvements to communities throughout Pennsylvania.

Regionalization can be incentivized and promoted while at the same time respecting the independence of municipal governments.

The Issues and Ideas Scan provided by the Infrastructure Work Group provides a fairly comprehensive overview. The chapter supports the findings to date. Some additional commentary follows.

- The state planning board should recommend and be tasked with monitoring a set of statewide investment goals based on revised Keystone Principles. State funding should be prioritized or scored against implementation of the broad investment goals.
- State agencies must coordinate incentives for regionalization. Grant and other funding criteria should be consistent among departments and their subdivisions. Consistent administration should be required and monitored.
- The Commonwealth must consider regionalization as the most fiscally responsible means to plan and operate infrastructure and make regionalism the default mode for funding consideration and other incentives.
- PennDOT's partnership with MPOs and RPOs is an excellent example of successful regional planning and service provision. Transportation planning is required by federal law to be continuous, comprehensive, and cooperative as should planning for other infrastructure. This "Planning Partners" collaborative should be used as a model for establishing and institutionalizing cooperative regional planning across the Commonwealth.
- Infrastructure planning for shale gas extraction and transportation should be coordinated at the state level and we recommend that the state planning board be charged with researching and advising the Administration on shale energy infrastructure. Lycoming County's work on integrating transportation, shale gas development, and water quality planning can serve as a best practice example. The chapter's Shale Energy Implementation Committee is willing to assist the state planning board on this issue. Reference our recent report here: <http://planningpa.org/wp-content/uploads/Shale-Energy-Committee-Policy-Report-Final-051616.pdf>
- The state planning board, with expanded support from the Governor's Center for Local Government Services, should be the convener of an institutionalized interagency collaborative that ensures coordination of agency policy across the state and across all levels of government.
- The Commonwealth should support an expanded role for county planning as the natural linkage between state and local government. County planning departments have local knowledge that can inform regional responses to infrastructure provision.
- Increased state funding for regional infrastructure planning and construction is an important incentive for county and local governments. Experience shows that county and local governments will cooperate regionally when incentivized. This was evident during the Ridge and Rendell administrations, but has not been a priority in recent years.
- State agencies should develop and administer consistent regions for their service delivery areas.

2. Efficient Government Work Group

Decentralized government in Pennsylvania is a fact of life, but it does not need to be determinative of our destiny. The Commonwealth has existing laws, methods, and authority to carry out governance in a more collaborative manner which can lead to more efficient delivery of services. The Commonwealth, the counties, and the municipalities can all cooperate without losing authority or diluting strong local

representation. The chapter agrees with other presenters who noted that Pennsylvania does not have problem of too many local governments, but of too many service providers.

The chapter supports the findings to date of the Efficient Government Work Group and has the following comments.

- Reliance on real estate tax is a fundamental cause of disjointed decision-making and remains a barrier to partnerships that lead to government efficiency.
- Enhance and modernize the role of counties as a service delivery option. County coordinated purchasing cooperatives are only one example. Indeed, some regionalization can occur across county boundaries like the recent merger of the Lancaster County and Berks County transportation authorities.
- Intergovernmental cooperation has been shown to add capacity to local governments that would otherwise be too small to benefit from economies of scale, etc. The board should reference the work of Dr. Beverly Cigler, Professor of Public Policy and Administration, Penn State Harrisburg, who has done considerable research into intergovernmental cooperation, shared services, and consolidated government.
- Incentivize, fund, and support cooperative regional solutions without mandating municipal consolidations. The Commonwealth should remove barriers to consolidation and merger so that municipalities that choose that option can implement it in reasonable time and without undue cost.
- Incentivize, fund, and support regional land use planning and zoning. Remove barriers, including reliance on real estate taxation, that require or cause municipalities to zone for all types of land use.
- Modernize land development approval procedures to remove barriers to economic development. The Commonwealth is not competitive with other states that deliver infrastructure and permits in a more efficient way. Pennsylvania has already lost too many investment opportunities.
- Support and fund a revitalized Governor's Center for Local Government Services by increasing staffing to former levels and providing increased funding for MAP and other grant programs. The center does excellent work; we need more of it.
- Local governments compete explicitly and implicitly for limited economic development opportunities. State government policy and funding should work toward ameliorating the detrimental impacts of such competition among our communities, including finding ways and means to equalize and share the burdens and benefits of economic development and community revitalization.

3. Urban Revitalization Work Group

Pennsylvania's towns, cities, and urban/suburban areas represent a legacy of community investment. The Commonwealth should help these communities stabilize, reinvest, and solve problems associated with poverty and urban sprawl. The chapter supports the findings to date of the Urban Revitalization Task Force.

Note: These solutions should recognize our cities and towns as centers of living and commerce, but not be limited to city and borough boundaries. Pennsylvania's older suburban areas, located primarily in townships, must be part of revitalization efforts.

- Expand and fund targeted regional investment programs that implement state, county, and municipal comprehensive and economic development plans. Our legacy communities should be viewed as regional hubs and be considered as strategic areas for future investment in statewide investment goals. PENNVEST performance goals and funding award criteria should serve as a best practice in this regard.
- Housing policy must be viewed regionally (countywide) in order to meet broad goals for inclusion, affordability, continuum of housing choice, and fairness. Multifamily units should not be concentrated in older municipalities only.
- End reliance on real estate tax.
- Resolve pension and collective bargaining issues faced by municipalities.

The Pennsylvania Chapter of the American Planning Association urges the planning board to take a broad, long-term overview of the Commonwealth's situation. While there are short term policies that can and must be proposed soon, planning for the state's future must become an institutionalized exercise. The chapter supports the ongoing work of the planning board and offers our continued assistance. Additionally, other states, including some of our bordering states, have institutionalized long term planning for economic and community prosperity. Pennsylvania can be a truly 21st Century Commonwealth. We must be strategic. We must plan and plan for the long term, not just for short cycles. The Commonwealth should institutionalize a broad set of development and investment goals. State government must think regionally, relying on counties as stronger partners working with municipal governments. The state must provide the leadership and funding for efficiency, coordinated action, and long-term improvement of our citizens' lives and prosperity.

The state planning board requested suggestions for three priority changes to the Pennsylvania Municipalities Planning Code. APA Pennsylvania has spent considerable time and resources analyzing the code. Our work can be reference here: <http://planningpa.org/advocacy/mpc-task-force/> The chapter recommends some "quick fixes" plus some longer term items for consideration. The chapter is willing to assist the state planning board in efforts to review the current state of the code.

"Quick Fixes"

1. Amend MPC Section 508.1. Notice to School District (Added by Act 97 of 2012)

Amend by omitting the words "finally approved" and replace with the words "received Preliminary Plan approval."

To really serve the purpose of notifying school districts of residential development that may affect their school planning and related actions, knowledge of the receipt of preliminary plan approval received provides the longer-term information and expands the planning horizon for school districts. Since portions of the approved preliminary plan can be submitted for final approval in segments, receiving notice of final approval may be disjointed and not particularly helpful to the school planners.

2. Amend MPC Section 502. Jurisdiction of County Planning Agencies; Adoption by Reference of County Subdivision and Land Development Ordinances by changing the title and adding a new subsection (d) to address water and sewer authorities and/or municipal water/sewer departments.

This proposed amendment would require:

- a) that a certified copy of a municipal subdivision and land development ordinance, and subsequent amendments, be sent to all water and sewer authorities, and/or, municipal water and sewer departments.
- b) that when applications for subdivision and land development within the municipality are received for review they are sent upon receipt to the appropriate water and sewer authorities, or departments, for its review and recommendations regarding the availability of current water and service capacity, changes required, etc., and estimates of when such facilities will be available to support the residential or other development being proposed.
- c) that the municipality not approve such applications until such report is received or until the expiration of 30 days from the date the application was received by the authority or department.

Regarding decisions concerning land development within municipalities one of the key components is the provision of water and sewer services. Virtually nothing in Article V speaks to the integration of responsibility of land use regulatory decision making and the autonomous provision of water and sewer service. In part, this might be considered an effort to implement the concept of “concurrency” which has often been discussed as a technique for integrating development and the availability of services and facilities needed to support proposed development. Rather than leave it to chance by municipalities to include such a requirement in their subdivision and land development ordinances, it should be mandated in the MPC.

3. Amend MPC Section 301. Preparation of Comprehensive Plan by adding a new subsection (a) (8).

This subsection would add a new required basic element: A sewage facilities plan element, which may be provided by reference. This is another small modification that would help bring together key plan components that may be prepared independently but should be integrated in municipal planning and decision-making. Since a sewage facilities plan is one that is normally prepared it should not be difficult to include it by reference. The benefit would be to make sure it is reviewed, maintained, and used in comprehensive plan decisions.

Long Term Amendments

1. Optional Provisions for Transportation Impact Fee: The current provisions of Article V-A are so complex and burdensome, with numerous limitations placed on the uses of the fees, that most municipalities have not adopted impact fee provisions. Recommendation of the chapter’s MPC Task Force was to revise Article V-A to create a new Section 509-A that would allow municipalities to adopt a fixed “not to exceed” impact fee amount that would be set forth in the MPC (example: not greater than \$600 per designated afternoon peak hour trip). This maximum fee would be permitted to be increased annually by the municipality based upon a standard national measurement of inflation. This option would also include simplifies procedures and administrative responsibilities.

2. Capital Improvements Programming: Capital planning is currently referenced in the MPC, but there is no specific call for it to be a comprehensive plan implementation tool. Revising the MPC to add it as a specific tool would promote its use. It can be a vital tool for accomplishment of the public infrastructure, facilities, structures, and major equipment needs identified in the comprehensive plan. A typical capital improvements program would schedule projects over a five to six-year period and document how the municipality intends to fund the projects. The schedule would be updated annually.

3. Unified Development Ordinance Option: This would be a new Article in the MPC. A unified development ordinance would encompass aspects of zoning, subdivision, land development, PRP, TND, and other land use regulations in a single ordinance. It would likely benefit smaller and/or rural municipalities where multiple ordinances can become difficult to administer. It would also give municipalities increased authority to employ innovations in land use regulations.

The chapter was also requested to comment on specific capacities needed by local governments to ensure deal with the issues outlined in Governor Wolf's charge to the state planning board. Our members are, or work closely with, municipal officials and offer the follow ideas.

1. Restore funding to DCED's LUPTAP and/or MAP programs to provide communities with the funding capacity and technical assistance necessary to plan for their long-term future and also provide training for municipal volunteers, staff and elected officials. As was stated at the meeting, the Governors Center for Local Government Services does great work and we need more of it.
2. Expecting our municipalities to carry the full burden for planning and economic development will not build the capacity at the local level to improve economic development. The Commonwealth must have more robust local economic development programs and funding systems in place to so municipalities can build the capacity for communities to prosper.

December 15, 2015

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Written comments from the CPDAP to the Pennsylvania State Planning Board regarding Governor Wolf's charge to study three specific issues that impact all of Pennsylvania

The CPDAP appreciates the opportunity to offer comments to the Pennsylvania State Planning Board regarding the Governor's charge of: Infrastructure funding and regional coordination, Fragmentation of government at all levels and the issues that arise from this, and how to help Pennsylvania's struggling older cities and boroughs. These charges resonate with Pennsylvania's County Planning Directors, as we all are facing these issues within our own Counties.

The mission of the CPDAP is to improve planning practices in the Commonwealth of Pennsylvania by: providing for the collection, distribution, and exchange of information relating to planning at the county level among its members by improving public relations; informing members about legislation intended to modify planning functions; providing information and guidance to the County Commissioners Association of Pennsylvania (CCAP) and the American Planning Association – Pennsylvania Chapter (APA – PA Chapter) on legislative, regulatory, and policy matters; and cooperating with other interested agencies in the promotion of the objectives of the CPDAP.

It is the vision of the CPDAP to effectively represent community planning as a means of improving the quality of life for all citizens of the Commonwealth of Pennsylvania. The Association provides an opportunity for statewide county to county networking and for enhancing the visibility and effectiveness of county planning. Through these cooperative efforts CPDAP strives to help Pennsylvania be a place where people want to live, work and recreate.

These three charges are themselves interrelated and really call for the need of the State Planning Board to take a more active role in guiding the Commonwealth over the next 20 years. Without funding and staff at the State level to support responsible planning efforts that promote smart growth, green infrastructure, economic development, preservation of our natural, historic and cultural resources and the protection of our agriculture communities there will be limited progress, if any, made in improving the outlook for Pennsylvania.

The State needs to continue to promote intergovernmental cooperation through regional planning efforts that address infrastructure investment/municipal services and expansion around a region rather than a municipality. Creating or increasing incentives when municipalities partner with others is the key to improving relations and cooperation amongst local government, municipal authorities, school districts and other organizations that have a vested interest in seeing Pennsylvania rise above its current economic issues.

December 15, 2015

Funding projects that are based upon sound land use planning and regional objectives will encourage cooperation and consistency when relied upon during grant/loan reviews. Consistency in planning and regulations at all levels of government is key. Comprehensive plans, zoning regulations, Act 537 Sewage Facility Plans and other plans or regulations that concentrate infrastructure investment in growth areas, promote economic development; protect environmental resources and agricultural lands and are consistent with adjoining municipalities, authorities, counties and others are needed in order to implement cohesive and sound planning in Pennsylvania.

Examples of regional cooperation:

Donald Schwartz, Director Bedford County Planning Commission

“Bedford, Blair, Cambria, Fulton, Huntingdon and Somerset Counties have just started on the largest multi-county comprehensive plan ever attempted in Pennsylvania (to our knowledge). This work is being coordinated through the Southern Alleghenies Planning and Development Commission in Altoona and is partially funded by DCED. I can’t think of a better example of regional planning, and the type of effort that should be supported with state funding (six counties!). We hope the final plan (due in 2018) will be a model for regional cooperation.”

Shannon Rossman, Executive Director Berks County Planning Commission

There are currently 18 Joint Comprehensive Plans either adopted in Berks County. These plans involve 57 of Berks County’s 72 municipalities. With the change in demographics and housing, aging and inadequate infrastructure along with economic development issues the need to make sure that all of Berks County’s municipalities have adequate planning for the future is imperative. Many of the County’s school districts and municipalities are struggling with taxing issues due to the housing boom of the 1980’s-2005 that they were unprepared for and also the conflicts that have arisen between land uses such as agriculture, residential and the building of new school facilities and pension issues which combined with the economic downturn and the stagnant land values have created a severe budget problem.

The County and its municipalities are struggling to maintain and improve the economic outlook for the region while at the same time balancing the fact that Berks County relies upon Agriculture as one of its main industries and has very large rural areas that contain very important natural resources that need to be protected.

By working with its municipalities to form the regional Joint Comprehensive Plans, Berks County has helped municipalities to create new relationships and promote regional solutions to problems and projects that reach beyond the borders of political lines. In order to continue this work, the County needs the support of DCED and other State entities to prioritize regional solutions and promote consistency with planning.

Regulations, legislation, and plans at the State level need to be clear, concise and consistent. Current permitting based upon these items are confusing and lead to misinterpretations during permit reviews and/or different interpretations by different permitting regions of the State which in turn delays development projects of all kinds, economic, agricultural, and housing. One such instance is the issues with Act 167 stormwater requirements that are no longer funded and

December 15, 2015

Chapter 102 regulations along with the lack of implementation of the State Water Plan. Coordination of permitting related to water resources would help to prevent some of this confusion.

In many cases municipalities, counties and other public entities lack the necessary education and background to make educated decisions. Most officials, where appointed or elected, do not have a background in planning or other related area that would give them the necessary tools to make decisions on plans and regulations that promote sound planning in their community. Too many individuals are in office because of one or two controversial items, which turns planning into a political process and not an educated one.

Example of Permitting and Education issues:

Amy McKinney, CPDAP Board Chair, Lawrence County Planning Director

“Approval procedures at all levels need to be modernized to remove the obstacles that hinder economic development. Developing a review process that attracts economic development instead of hindering it is needed. There is a lack of knowledge in Lawrence County for Act 167 and DEP permitting. We are waiting on word to hear if we have received funding, but we did apply to the NW Planning Commission for funding to implement training across the NW section. This would include the 8 counties in the NW and the remaining Counties that also make up the NW Section of APA-PA Chapter. Incentives for this type of multi-county cooperation should be encouraged and rewarded.

My recommendation to the SPB is to restore funding to DCED's planning program (LUPTAP, MAP) so our communities can access funding for technical assistance. We need more Denny's (Denny Puko, DCED) to help in planning for the long-term future. Our municipal staff, volunteers and elected officials lack the training necessary to prepare for the future. A majority of them are doing what they need to do just to get by. We also need the support at the County level. Our municipalities depend on the Planning Department to help them with all aspects of Planning but we are a small staff. This is, for the most part, the same for most of our Counties in the NW.”

The recent legislation and encouragement to address blight issues in the State is very helpful. There needs continued creation of incentives for building owners to reduce or prevent blight and new funding sources or opportunities for municipalities to address blighted properties. This ties into neighborhood revitalization, improved home values, decreases in crime and other related quality of life issues for our cities, boroughs and urbanized areas.

Interaction with school districts to improve offerings of educational programming that targets the needs of our regions is also a key to improving quality of life in our cities, boroughs and urbanized areas. These areas have more affordable housing for our younger workers along with existing infrastructure to support them. Ensuring that our students are graduating with the necessary skills to fill jobs being vacated by our retiring workforce is extremely important to the economic health of our current developed areas. Prosperity of a region is directly tied to providing living wage jobs. If you are not training enough graduates to fill these positions then your graduates will move away to find work.

December 15, 2015

Examples of Economic Development, Workforce Support and Cooperation:

Greater Reading Economic Partnership (GREP), along with others developed a “Careers in 2 Years” program:

GREP “has put a greater focus on reaching out to existing Greater Reading companies to identify their challenges and opportunities. Over the past three years, we have met with 100+ companies. More than 47% of these companies identified lack of skills as a workforce challenge and a constant constraint to expanding their business. Based on this critical workforce need, GREP developed a marketing campaign called Careers in 2 Years. The campaign is designed to raise awareness about career opportunities and address perceptions that technical education doesn’t provide successful career pathways. We want students to consider attending a career technology center and a technical education career path.”

Wayne Pike Workforce Alliance DCED Grant: To create an Agriculture Ecosystem in Northeast Pennsylvania

Grant Partners: Counties of Wayne, Pike, Lackawanna and Susquehanna

“Objectives of the Project: To build a more sustainable community by revitalizing our agricultural centers, to enhance job creation on the farm and in off-farm agribusiness through workforce development, to enhance local food security and improve health outcomes by rebuilding agriculture as a pillar of economic development for the benefit of employers, consumers and the community at large.

Project Description: This grant submission will assist with creating Agriculture Career Pathways and bolstering Agribusiness within Wayne, Pike, Lackawanna and Susquehanna Counties. Using a comprehensive approach to addressing a variety of industry needs, (i.e. land use, product to market, business attraction, and talent development) will ensure a cohesive plan is implemented that will be positively measured by the variety of activities undertaken.”

In reality there are hundreds of projects across the State that are great examples of both cooperative and regional planning that deserve to be funded. Many of these projects will or would implement sound planning objectives, but due to funding or lack thereof, will not move forward. The lack of technical assistance, education, matching funds and support for consistency of planning documents/regulations leads to confusion, uncoordinated planning and potential loss of what makes Pennsylvania a great place to live.

Thank you for this opportunity to provide comments on the State Planning Boards charges from the Governor. The CPDAP is willing to provide additional comments or have future conversations regarding the provided comments if the Board is interested.



Governor's Charge to the State Planning Board Comments from the County Commissioners Association of Pennsylvania

On behalf of the County Commissioners Association of Pennsylvania (CCAP), a statewide nonprofit, nonpartisan association representing all 67 counties in Pennsylvania, thank you for the opportunity to share our comments with the State Planning Board regarding the Governor's charge to develop consensus recommendations in several areas related to planning. While there is a growing acknowledgement that land use, development and transportation are strongly interrelated and have significant impacts in almost every area of our communities, counties are uniquely positioned at the crossroads of many of these aspects of planning because of the wide array of services they offer to their residents.

For instance, counties provide human services (i.e., mental health, intellectual disabilities, juvenile justice, children and youth, long-term care, drug and alcohol services, housing) to people in need in our communities. In addition, counties are responsible for emergency management and 911 services, administration of the courts and corrections system, elections, maintenance of county bridges, and the county property assessment rolls, and are also involved in environmental and land use planning, protection of open space and community and economic development. Many of these services are offered in partnership with the state and federal government, as well as municipal government and other stakeholders.

To speak to land use planning broadly, CCAP's legislative and policy platform, based on resolutions adopted by the membership, asks the General Assembly and administration to recognize county land use planning as important in creating an appropriate balance among environmental, infrastructure, public health and safety, and economic development needs and an appropriate balance among state, county and municipal prerogatives. There is no one size-fits-all in any issue for a state as diverse as Pennsylvania; while a common thread may exist among the needs of all of our communities, the concerns experienced by our rural counties and our large urban centers, for instance, will be very different. Our local governments are often best situated to understand and respond to these needs.

Our comments regarding each of the Governor's three charges follows below.

How can state and local infrastructure funding be better coordinated to provide incentives for regional planning, coordination between local units, right-sizing of services, and increased efficiency? In particular, how can we influence decision-making about transportation, water, sewer and stormwater investments, to promote these goals?

Over the years, Pennsylvania has taken steps to legislatively mandate consolidation and "regionalization." In 1990, counties assumed responsibility for the 911 service, previously a

municipal authority and on that basis fragmented and virtually non-existent in the commonwealth, with the adoption of the state's Public Safety Emergency Telephone Act; within five years, counties had developed 911 systems statewide. Two years earlier, counties received responsibility, at their request, for developing county-wide solid waste management plans under Act 101, the Municipal Waste Planning, Recycling, and Waste Reduction Act, and counties have succeeding in meeting that Act's objectives as well. There is also a structure in place under Act 167 of 1978, the Pennsylvania Storm Water Management Act, that requires every county to develop comprehensive storm water management plans for each watershed in its jurisdiction.

By and large, consolidation in these areas has allowed services to be better coordinated and provided more effectively. But often funding discussions undermine the best intentions of these efforts. For two years, counties worked hard with the state to realize an increase in telephone subscriber fees (achieved under Act 12 of 2015), which had not been updated in more than 20 years and were no longer meeting the operational needs of the system, forcing counties to backfill those gaps with local property tax dollars. On the solid waste side, funding for Act 101 grant programs through the Department of Environmental Protection has declined even while the costs to collect and transport recyclables has increased over time, and the statewide tip fee that funds these programs is set to sunset Jan. 1, 2020. In addition, many counties provide supplemental recycling services to their constituents, such as household hazardous waste pickup, recycling of electronics and tires, and recycling drop-off centers. More than half of the counties historically funded these services by supplementing Act 101 grant monies with a county administrative fee levied on each ton of trash generated in the county and disposed of in accordance with approved county solid waste management plans; however, services continue to be reduced and eliminated because of a 2005 Commonwealth Court decision that declared the county administrative fees lacked an adequate statutory base, leaving counties without a dedicated revenue source to fund these programs for the past decade. And while Act 167 requires DEP to provide technical and financial assistance to counties in preparing plans and to pay 75 percent of the costs counties incur in preparing plans, in reality no state funding has been appropriated for this purpose since the 2008-2009 fiscal year.

While funding issues such as these must be addressed and more closely reflect the state and local partnerships inherent in their underlying statutes, in many cases the statutes themselves must also be examined to improve coordination. This is very apparent in the area of water quality, where a number of overlapping laws exist – such as nutrient management regulations, storm water management, flood plain management, Chesapeake Bay program requirements, just to name a few. CCAP's platform supports review of current and proposed state and federal laws, regulations and programs impacting waterways and water quality to resolve conflicting goals, improve coordination, provide uniform application, streamline programs and identify more cost-effective best management practices and technologically feasible tools to achieve necessary environmental protections while offering flexibility in land use and community development. Given counties' integral role in water infrastructure and storm water management, agencies must include counties in the decision-making process when developing new regulations and programs that will affect waterway infrastructure within the county jurisdiction.

Another example is evident within the state's community and economic development programs. A multitude of programs exist just within the Department of Community and Economic Development (DCED) – there are tax credits for job creation, historic preservation and neighborhood assistance, grant programs for Keystone Communities (Main Street and Elm Street), Keystone Opportunity Zones, and City Revitalization and Improvement Zones, just to name a few. And local governments can also avail themselves of programs such as Local Economic Revitalization Tax Assistance (LERTA) and Tax Increment Financing (TIF), not to mention take advantage of programs within other state agencies, such as the Department of Conservation and Natural Resources' programs for trail projects and rehabilitation and development of public parks and recreation projects.

It is difficult, if not impossible, for counties and municipalities to have an understanding of all of the programs that are available to them, or of how they might be leveraged with one another to achieve multiple community goals. To that end, technical assistance from the state is critical to assure all opportunities can be realized, and CCAP supports at least a maintenance of funding for DCED's Municipal Assistance Program and Center for Local Government Services, if not increases that better reflect the demand for their services.

How does the fragmentation of government at the state, county and local level affect decision-making on issues such as school funding? How does decentralization of planning affect outcomes and are there policy suggestions which could remedy problems or inefficiencies which are identified?

There are certainly areas where a more formalized structure is benefitting efforts to coordinate between state and local levels and reduce or eliminate duplication and inefficiency. In addition to the examples noted above (911, solid waste and storm water planning), the creation of the State Geospatial Coordinating Board under Act 178 of 2014 has brought together state, local, private and academic entities to provide advice and recommendations on data sharing to the Governor and the commonwealth. Accurate and reliable data is time consuming to create and validate, and there has been a lack of coordination of data and applications across all levels of government, so having all GIS stakeholders at the table to coordinate efforts throughout Pennsylvania will eliminate needless redundancy and offer state and local governments an opportunity to use limited resources more responsibly.

At the same time, it is important to note that even though fragmentation and decentralization of government certainly do exist in the Commonwealth, cooperation takes place every day, even if it is not documented or required by a law or regulation. Nor is decentralization necessarily synonymous with inefficiency or ineffectiveness; in fact, it can allow community needs to remain a priority. Much of CCAP's policy platform related to land use supports siting decisions and other policies to assure compatibility with local land use policies, including protections for preserved farmland and open space, and other natural and environmentally significant areas. Local governments are the ones who know their communities best because they are on the ground every day, providing local response and oversight.

Further, while consolidation can certainly have benefits, as the earlier examples would indicate, CCAP cautions that this can be dependent on the situation and is not a silver bullet to addressing local issues. In fact, counties have reported that in some cases, the more “regionalized” or “centralized” a program or project becomes, the more difficult it is for staff and others involved to be active regularly in the communities for which they are working in a way that can help to develop solutions. For that reason, CCAP also supports county review of state-funded economic development, environmental, transportation, and land use projects and grants coming into a county to ensure the coordination of regional priorities.

Decentralization also allows for more diverse and inclusive stakeholder input – from local business to the public school system and higher education, to agriculture and community organizations. These voices would likely not have the same opportunities to be a part of the decision making process if it were removed to a larger level.

Yet sometimes incentives, or even mandates, are needed to encourage all parties to come to the table in our communities. For example, there has been a great deal of angst over oil and gas pipeline development in many corners of the state, much of which is due to philosophical differences between local residents and pipeline companies, but some of which could also be mitigated with genuine communication and transparency among interested stakeholders. Counties support development of notification protocols to assure county and municipal governments are aware of proposed pipeline development, as well as opportunities for property owners to be engaged early and often in the pipeline development process. In addition, counties also support requirements for pipeline operators and/or owners to consider county and local comprehensive plans in planning the siting and routing of pipelines as well as the pipeline’s impacts on future development opportunities, and on the post-development side, requirements for property developers to consult in advance with pipeline operators and/or owners to assure precautions are taken during construction to avoid damage to existing pipelines. These were themes that were reiterated throughout the report delivered by the Governor’s Pipeline Infrastructure Task Force in the spring of 2016, and they reflect a desire not to impose a certain set of pipeline development and siting standards across the state, but instead a desire to create mechanisms that can bring people together at the local level to make decisions that work for all affected parties.

When we talk about fragmentation, we must also look within the state government itself. CCAP has heard from its members that programs and policies are often inconsistently implemented between the Harrisburg and regional offices. This does not appear to be an issue that is exclusive to any one state agency. In addition, discussion among counties has identified the need for better coordination of state agency permitting, so that permits needed from multiple agencies can be reviewed concurrently, reducing the time it takes to get a project from planning to implementation, which can also assist in reducing costs. Counties also recommend that state agencies and the General Assembly commit to involving local communities and affected industries as active partners in the regulatory decision-making process, so that unintended consequences can be avoided.

How can the state do more to support Pennsylvania's struggling older cities and towns?

County government relies on the property tax for nearly all of its locally generated revenues, yet property tax relief discussions at the state level reflexively turn to school property taxes. For many years, counties have been seeking statutory authority for taxation options such as sales, personal income and earned income taxes that would allow counties to reduce their reliance on the property tax, and instead provide them with the ability to decide locally what array of revenue sources, alone or in combination, work best for their communities. Considerations could include adequacy, adaptability, administrative ease and efficiency, economic effects and social acceptability. The fairest tax might not be viable in a particular county, for example, if it fails to produce sufficient tax revenues for the county to operate, or if it is too difficult to administer.

On top of a limited revenue picture, outdated statutory provisions like those in the Prevailing Wage Act create additional costs for counties and unnecessarily divert taxpayer dollars from their most effective use. Under the Prevailing Wage Act, prevailing wages must be paid on public projects of more than \$25,000, an amount that has been unchanged since the 1960s and now captures virtually all state and local public construction projects. Even small projects such as roofing, electrical, HVAC and storm water work, once below the threshold, are now subject to prevailing wages. Prevailing wage requirements increase the cost of many middle-range construction and renovation projects such as prison, juvenile detention facilities, local courthouses and judicial facilities by 10 to 15 percent depending on the region where the work is being done. Some counties estimate even higher cost increases, upward of 20 to 30 percent in some rural areas, because prevailing wages are often based on metropolitan centers where costs and wages are comparatively higher.

Other mandates further increase costs to local government, such as the mandate to advertise legal notices in general circulation newspapers which fails to recognize changes in technology and the way in which individuals receive their news today. If existing statutes were updated to reflect today's realities, the result for those counties for which electronic advertising is a better fit for constituents would be an overall savings to counties and taxpayers. For additional examples of local government mandates, CCAP recommends that the State Planning Board review the Municipal Mandate Report compiled by the Local Government Commission, as authorized by Senate Resolution 323 of 2010.

We would also note that in the initial summary of information gathered by DCED staff from stakeholders, there was a significant focus by stakeholders under this category regarding the need for assessment reform. Counties recognize the role of assessment in the overall property tax discussion, and have made this issue a priority for several years. The Local Government Commission, a bipartisan, bicameral legislative agency, has taken a renewed interest in this issue, along with the Assessors' Association of Pennsylvania (AAP), a CCAP affiliate, and have begun working to address some of the recommendations of the 2010 Legislative Budget and Finance Committee report and subsequent legislative studies. Current areas of focus include development of an operations manual, contracting standards and a self-evaluation tool for counties, and the Commission has created a working group to underscore the need to keep

moving forward on this issue. To that end, we would recommend that it is not necessary for the State Planning Board to take on duplicative efforts in this area, or, to the extent it would like to offer recommendations, that they be directed specifically to CCAP, AAP and the Local Government Commission.

Finally, counties note that funding decisions made by the state and federal government that might not be associated with “traditional” planning activities also have an impact on the ability of local governments to engage in meaningful planning. When there are cuts or flat funding in the core services counties provide, such as human services programs (where, for instance, counties saw a ten percent cut aggregate across seven key human services line items in FY 2012-2013 that has been flat funded ever since), funding priorities in these core services areas must be addressed first and foremost, leaving fewer resources available for planning, infrastructure and development activities.

Better predictability in the state budget process is also needed, as the state budget impasse of FY 2015-2016 – and the potential for similar situations in the future – made it impossible for counties to plan for creation or expansion of programs as they struggled just to keep the doors open in many cases. The need for many counties to borrow funds (thus incurring fees and interest payments) and to draw down reserves (resulting in lost interest earnings) during the FY 2015-2016 budget impasse again means that fewer assets are available for community and economic development projects. These effects will only be compounded going forward if another impasse occurs.

CCAP again extends its appreciation for the opportunity to share these comments with the State Planning Board. We would be happy to answer questions or to provide further discussion on any of these issues; please contact Lisa Schaefer, CCAP Director of Government Relations, at 717-733-4748 or lschaefer@pacounties.org at your convenience.



The Pennsylvania Municipal League

William Peduto, Mayor, City of Pittsburgh, *President*
Richard J. Schuetzler, *Executive Director*



A Century of Commitment

December 13, 2016

Dear Chairman Graziani and Members of the PA State Planning Board:

The Pennsylvania Municipal League is pleased to be able to provide the following written comments to the questions before the State Planning Board. PML represents over 90 full-service communities. Our members are very concerned about the ever-increasing costs of providing local services and the impact on fiscal health. They are also concerned about the ability to continue to provide such services under the current constraints in which local government operates. These issues are important not only to the future of local government, but also to the future of the Commonwealth. PML offers its resources to finding the appropriate solutions.

How can state and local infrastructure funding be better coordinated to provide incentives for regional planning, coordination between local units, right-sizing of services, and increased efficiency? In particular, how can we influence decision-making about transportation, water, sewer and storm water investments, to promote these goals? Develop policy recommendations which can be implemented (or note needed legislative changes) to drive smart planning.

As the State Planning Board is well aware, regional planning and the coordination of services are slow to take hold in Pennsylvania. Autonomy is the cornerstone of local government in Pennsylvania. The concept that bigger government is less effective is strongly rooted in our history and will take years and a concentrated effort to shift. However, as the cost of providing services continues to rise, local officials are forced to look for new ways to provide and pay for services. Efficiency and cost effectiveness are a necessity and demanded by taxpayers.

Some communities and their officials are reaching this point. In fact, there are many examples of cooperation taking place among local government entities. These examples are typically services that are easy to regionalize, such as purchasing or sharing equipment. More complicated services, such as infrastructure and public safety take more resources and more effort to coordinate.

The Commonwealth must see itself as a partner with local government providing incentives and support to encourage regional planning. Incentives are key to accomplishing better regional cooperation, planning and more efficient provision of services. Monetary incentives are the most powerful, however local governments can also be spurred to action with the lifting of mandates, inflexible laws or other impediments to cooperation.

Additionally, grants, low and no interest loans, and technical assistance are all tools that need to be made available to local governments. Although these are already available to some extent, they must be provided on a much larger scale if the Commonwealth wants to effectuate a permanent shift. Local government officials also need to see examples of successful service consolidation.

The Commonwealth must hold up examples of regional efforts, as well as provide guidance in the form of best practices.

Not only will the Administration need to be on board with incentivizing regional cooperation, but the General Assembly will need to be a partner, as well. There are many examples of the Legislature being unwilling to give local government flexibility to operate more efficiently. If the Legislature is not willing to appropriate funds, update laws, lift mandates and allow flexibility, regional thinking and action will not take hold.

How does the fragmentation of government at the state, county and local level affect decision-making on issues such as school funding? Pennsylvania has over 5,000 governmental units, each of which has authority for specific functions. How does this decentralization of planning affect outcomes and are there policy suggestions which could remedy problems or inefficiencies which are identified?

Our fragmented government is a burden on taxpayers as they are stretched to pay for services at all levels of government. As the chief financier of decentralized services, Pennsylvania's taxpayers are not getting their money's worth in terms of efficient and effective outcomes. Decentralized services result in areas of the state with well-funded services and other areas that struggle to provide the basic level of services, whatever they may be. School funding is a good example of the inequities that result from narrowly defined service areas, but this concept exists in municipal government as well.

Providing services over a larger area balances out these inequities. For example, a change in how the Earned Income Tax is collected (from a local to countywide area) has resulted in more efficient and increased revenue collection. The Commonwealth must promote the centralization of other common functions that can be expanded to larger service areas.

Here again, incentives to participate are more favorably viewed at the local level than mandates. The incentives, however, must outweigh the fear of losing local control. Therefore, the Commonwealth must invest in promoting change. It must find ways to finance and support a shift to coordinated services and planning.

How can the state do more to support Pennsylvania's struggling older cities and towns? Identify policies, including tax policies, which contribute to the divide between urban and suburban areas, and to the twin challenges of concentrated poverty and sprawl. Develop recommendations to level the playing field between urban and suburban areas.

There are many actions the Commonwealth can take to support older cities and towns. First and foremost, the Commonwealth needs to develop an urban policy that recognizes there is a difference between older, land-locked communities and those with room to grow and add to the

tax base. This policy must also recognize that the current laws that govern municipalities are inflexible and outdated. In fact, older communities are unable to generate sufficient revenue to cover the costs of service provision. Until the Commonwealth brings the laws governing local government into focus with present day reality, we will continue to have older communities that struggle to survive.

A regional approach to taxation and service provision would help older communities by spreading not only the wealth, but service costs across a larger area. Residents do not distinguish between municipal borders in daily living. They move in and out of different municipalities with ease. They live in one, work in another, shop in a third and dine in a fourth – all in the course of a normal day. If the Commonwealth's citizens live regionally, why are we still providing services and taxing on a municipal level? A county option local sales tax would be a good start to taxation on a regional level.

In addition to the authorization for a regional tax, a menu of local taxing options would better suit our struggling communities. Taxation options include an increased Local Services Tax and a Payroll Tax instead of a Business Privilege Tax. A menu of local taxing options would also lessen the burden of and our over-reliance on the Property Tax to fund a myriad of services from education, to social services, to public safety.

Lessening the burden of tax-exempt property is another way the Commonwealth could assist older municipalities. The tax-exempt designation is made at the federal and state level, but the impact is most felt at the local level where the services are provided. The Commonwealth needs to reimburse municipalities for a portion of the revenue lost as host to tax-exempt properties.

Furthermore, supporting and encouraging regular countywide reassessment would help stabilize property tax rates across regions by equalizing property values. When counties don't reassess, tax rates are high to make up for low value. Regular reassessments are important to maintaining tax equality among municipalities.

In addition to changing local taxation policy, the Commonwealth must reduce the numerous unfunded mandates that local governments face. If elimination is not possible, then there must be a level of flexibility at the local level to pay for the mandates. Such mandates include Act 111 collective bargaining; municipal public safety pensions; legal advertising; and the administration of disability claims under the Heart and Lung Act. It is important to note, Act 111 and Pension Reform must be a precursor to any new revenue or revenue options. Reform must be first to place a cap on the uncontrolled expenses of these mandates. Otherwise, any new revenue will be identified as a reason to further increase benefits.

Finally, the Commonwealth must encourage economic development with policies that ease and incentive investment in and revitalization of both neighborhoods and downtowns in older municipalities.

In conclusion, the questions posed are broad and can easily generate a lengthy response. Very simply though, to effectuate the changes implied by the questions, the Commonwealth must take a prominent role and partner with local government in finding more efficient and cost-effective ways to provide services and assist struggling municipalities.

PML wishes to point the State Planning Board to two publications from 2010. Our own [Core Communities in Crisis Task Force Report](#) and the [City of Lancaster's Prosper or Perish Report](#). You will find that these independent reports support the foregoing response.

We appreciate the opportunity to provide input into the questions before the Board. Thank you and please contact me with any follow-up questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Schuettler". The signature is fluid and cursive, with the first name "Richard" and last name "Schuettler" clearly distinguishable.

Richard J. Schuettler
Executive Director
PA Municipal League



PENNSYLVANIA STATE ASSOCIATION OF TOWNSHIP SUPERVISORS

Chairman Graziani and members of the State Planning Board:

Thank you for the opportunity to submit comments on behalf of the 1,454 townships represented by the Pennsylvania State Association of Township Supervisors. We want to continue this critical dialogue about Pennsylvania's future. As we stated at the hearing, the issues contained in the Governor's charge and the supporting idea papers are many and complex and there are no easy answers or one-size-fits all solutions. Instead, consideration should be given to eliminating unfunded mandates and providing local government with new and flexible tools unaccompanied by bureaucratic processes.

Intergovernmental cooperation and mergers

It is the flexibility of our system of government that gives local officials the opportunity to determine the types and levels of services desired by their residents and how to provide them. Townships currently use intergovernmental cooperation to achieve efficiencies of scale and provide uninterrupted service to their residents. In a recent PSATS survey, 83 percent of responding townships reported involvement in collaborative projects with another local government in areas as diverse as code inspections, recycling, snow removal, land use planning, equipment sharing, fire protection, joint purchasing, road maintenance, recreation, sewage treatment, ambulance services, and the list goes on. Because many of these efforts take place on an as-needed, flexible basis, these day-to-day examples are often not documented while saving millions and enhancing service delivery.

PSATS continually promotes the successful use of intergovernmental cooperation with our members and supports incentives for cooperation. At one time, the state provided millions in annual grants for cooperative efforts through the Governor's Center for Local Government Services, which we strongly supported. Local governments should be able to work together with the least possible number of hurdles. Perhaps consideration should be given to including mutual aid language to streamline many of the day-to-day cooperative efforts, particularly public works which help provide uninterrupted service to our residents.

The state does not have a monopoly on the best ideas. Local government officials have the ability to be creative in understanding the needs of their residents and must continue to be able to control their own destiny. "Right-sizing" is in the eyes of the beholder. Townships that provide the type and level of services desired by their residents **ARE** "right-sized" communities.

The Association believes that the existing consolidation and merger process is workable and is appropriately dependent on community choice. The state should provide support for this process, but should not initiate or attempt to force these efforts.

Planning process

There is a myth perpetuated in many levels of state government that municipalities can stop development and in fact, are the cause of development. However, as you well know, this is false. For this to happen, the state would have to amend the MPC to allow municipalities to prohibit or restrict development. Municipalities can plan responsibly for development, but cannot stop it. In addition, it is developers that drive development, not municipalities.

Coordination between the state and local government needs to take place earlier in the planning and development approval process. Currently, locals are often brought in late in a state approval process and when important changes are proposed, the locals are treated as though they are only slowing the process or trying to block development. Instead, the development approval process needs to be coordinated between state agencies, as well as state and local government and these efforts should begin early in the design phase so that conflicts are eliminated and don't become an issue late in the process.

PSATS agrees that tweaks are needed to the Municipalities Planning Code, however, proposals for major substantive changes will only end up bringing the many interest groups to the table with their interest-specific changes, such as the agricultural community, oil and gas industry, and builders, which stops any progress from occurring.

PSATS is a longtime supporter of the concept of concurrency, which is discussed in the infrastructure paper. Concurrency allows local government to restrict development to those areas where the needed infrastructure is in place. However, concurrency is not authorized in Pennsylvania, causing infrastructure for new development to drive up costs to existing residences and businesses.

Need for state agency coordination

The Commonwealth and its agencies need to recognize and treat local government as partners in providing services for our mutual constituents, not as a special interest or source of revenue. For example, in the recent threat by New Jersey to end its long-standing tax reciprocity agreement with Pennsylvania, the state was only concerned about the impacts that the elimination of this agreement would have on the Commonwealth. Little, if any, thought was given to the profound affect that the elimination of this agreement would have had on border municipalities and counties.

The Association believes that state and local governments are partners in providing critical infrastructure to our residents. As pointed out in the infrastructure paper, there are planning processes for state and federal transportation improvements. Municipalities must plan for sewage treatment and disposal needs and DEP ensures that these plans are adopted and implemented locally. DEP permits wastewater treatment plants and can require a municipality to build or expand existing plants when they fail to meet expected need or want by the building community.

For example, Mahoning Township, Lawrence County was told to build a \$25 million wastewater treatment facility in anticipation of a racetrack and casino. However, the Pennsylvania Gaming Control Board rejected the gaming license application, leaving the

township with a \$10 million PennVEST loan and not enough revenues to make the payments. The sewer plant the township originally proposed was \$9 million for a 160,000 gallon per day plan, less than the current loan amount. The township was convinced by then-Gov. Ed Rendell and DEP to build a larger 380,000 gallons per day plant due to the expected capacity of the racetrack and casino.

While tax incentives are greatly sought after by the business community, particularly big business, they often come at a significant cost for our residents and taxpayers. We need to ensure that when we chase after business investments and provide incentives, that the resulting benefits in terms of jobs and tax base are greater than the investment, and that we aren't simply padding the pockets of shareholders.

Development of roads and bridges encourage development, as does access to sewage treatment capacity and public water, a fact well-known to municipalities attempting to exercise their due diligence to plan for development. But are these state planning efforts, which have such an impact at the local level, coordinated at the state level? What about state permits needed for new development? There is little, if any state coordination of these critical planning efforts that have a significant impact on development at the local level. Take, for example, an area where the municipality has carefully planned for continued agricultural use and limited residential development. Decisions by DEP to allow for expanded public water access into these areas can render municipal planning void if it results in intense development pressure. This does not even take into account court decisions that reverse an approved plan that an applicant contends limits his ability to develop that land.

We contend that the State Planning Board is uniquely positioned to examine these statewide planning coordination issues, as well as fragmentation of policy between and within state agencies that impact local decision-making and infrastructure.

State Agency Fragmentation

PennDOT and DEP are the state agencies that our members interact with regularly. One of the major complaints is the lack of coordination, even fragmentation, between each agency's regional and central offices. One example is PennDOT's Highway Occupancy Permit Stormwater Policy, which requires new development to retain stormwater on the property or that the municipality accept responsibility for the new connections to a state highway drainage system. While we have concerns with this policy in general, if it worked as intended and the districts required that designs submitted by the developers keep stormwater drainage from entering the highway drainage system, it would alleviate most concerns. However, this has not been the case and many municipalities have been told at the end of the process that they had to accept this responsibility or the development could not move forward.

Another example of lack of state agency coordination could be seen during the Pipeline Infrastructure Task Force, where there was no coordination between federal, state, and local government on the siting of pipelines. PEMA and DEP did not coordinate on emergency response to pipeline-related incidents or with county or local agencies. In fact, the Environmental Workgroup dedicated an entire recommendation to the need for coordination of permitting between state and federal oversight entities.

Another example of the lack of coordination between state agencies is the use of salt brine for winter snow maintenance. PennDOT has been promoting the use of salt brine for years and has trained local governments on its use. However, due to an oversight, rules for the use of liquid fuels funds were not updated to include specific authorization to use these funds for purchasing or making salt brine. When the Auditor General discovered this oversight, instead of notifying PennDOT or bringing it to their attention, municipalities were required to pay back any funds used for salt brine as an unapproved expenditure. We worked with our members to bring this discrepancy to the attention of PennDOT officials, who worked to update the liquid fuels rules and allow salt brine as an approved use.

Stormwater

Yet another example is the oversight of stormwater by DEP. Today, there are separate rules and local responsibilities for Act 167 stormwater management planning, which affects all municipalities, and MS4s, which affect medium-sized and larger communities. The Commonwealth should combine or at least coordinate these two separate stormwater responsibilities.

MS4 communities are currently gearing up for expected escalation of these mandates for 2018 implementation, but many questions remain about what to expect and whether the EPA will look at measured improvement to water quality or simply lengthen the list of required actions that are required regardless of outcome. A community can improve water quality, but be fined during an audit if it did not check-off activities on its bureaucratic list. This is creating uncertainty in the affected communities.

The expansion of municipal responsibility for the oversight of the quality and quantity of public and private stormwater discharges is an example of the continual escalation of unfunded mandates imposed by state and federal environmental regulations. It is easy to mandate, but harder to find funding!

Unfunded Mandates

The paper on struggling communities correctly identifies unfunded mandates that are creating immense financial pressures on communities. The most significant mandate, collective bargaining for police and paid fire services, leads to exorbitant pension and healthcare benefits that are not financially sustainable. Defined benefit pensions are currently required for public safety employees, while defined contribution plans should be authorized as options for public safety employees, similar to non-uniform employees.

Pensions and legacy costs significantly hinder intergovernmental cooperation, stopping some concepts dead in their tracks. The truth of the matter is that if one or more police departments are proposed to merge, the resulting contract will contain the very best, and most expensive, benefits from each of the existing contracts.

Our Association has long supported reform of the arbitration process that would place local elected officials and the citizens that they represent in a more balanced position to negotiate collective bargaining agreements. Even if a township has the tax base to raise taxes to pay for the

expanded terms of an award, that doesn't mean the residents are able or willing to shoulder a doubling or tripling of their property taxes to provide for a substantial benefit. In addition, new or increased benefits that are bargained for or awarded in one bargaining cycle become the base for the next cycle.

In addition, the Police Pension Act dictates that municipalities must provide very specific, and generous, pension benefits to our police. Subjecting pension benefits to arbitration means that any awards will be on top of these mandated benefits that communities must fund regardless of the outcome of negotiations. A cap on existing pension benefits is the only hope of bringing these costs under control and giving local governments the ability to adequately fund benefits currently owed to our police.

There are many other unfunded mandates, the most burdensome of which were examined by the recent Senate Resolution 323 of 2010 Report, which we urge you to review. In fact, the Local Government Commission has a database of 6,508 mandates placed on counties and municipalities. The Commonwealth has imposed many of these mandates over the years for various reasons, many of which are no longer applicable but continue to drive up the costs.

While the creativity of local officials can occasionally mitigate the impacts of unfunded mandates, the fact that expensive mandates continue to be implemented by both the state and federal government compounds their negative effects on our communities and their citizens and forces the redirection of limited resources. The MS4 mandates mentioned earlier are burdensome now and are expected to continue to grow as implementation continues. Even PennDOT has seen its resources diverted to face this incredible expense.

Tax Reform

Finally, let's face the fact that the Commonwealth has avoided the critical need for local tax reform for decades. All levels of local government – municipal, school, and county – must rely on the same tax base, making it exceptionally difficult to fund services and mandates. Local governments must be able to choose the proper mix of taxes to generate sufficient revenue to meet the needs of the community, ensure that the tax burden is shared equitably among all categories of taxpayers, including individuals, businesses, and industry, and not rely overwhelmingly on the property tax. Any solution must look at the burden that tax-exempt entities place on communities and whether they should pay fees for critical services. And the schools must be part of this discussion, as the issue of school funding is part of the Governor's charge.

As part of the tax reform discussion, it is important to keep in mind that the property tax is a stable tax base and that border counties and municipalities do not have other tax options unless there is reciprocity with the neighboring state. In addition, business and industry must pay a fair share of the tax burden and the property tax is the only current method to achieve this balance.

In closing, there are many diverse and complex issues that impact local government and few have simply solutions. We look forward to working with you on these issues.

State Planning Board Stakeholder Written Input
Gerald Cross, Executive Director
The Pennsylvania Economy League Central PA, LLC
December 15, 2014

The language in the Commonwealth's Intergovernmental Cooperation Act (ICA) broadly permits a municipality to cooperate or agree in the exercise of any function, power or responsibility with any other municipality.

What the ICA lacks is any type of road map to guide municipalities on how to structure these agreements. The Pennsylvania Economy League believes two glaring omissions are: 1) specific authorization for a funding source and 2) requirements for at least semi-permanence of funding and/or structure so that any one municipality cannot abandon a regionalization agreement on a political whim.

The ICA itself is rather simple. It states that municipalities entering into an intergovernmental cooperation agreement must specify by ordinance the following:

1. The conditions of the agreement
2. The duration of the agreement
3. The purpose and objectives of the agreement, including the powers and scope of authority delegated in the agreement
4. The manner and extent of financing the agreement
5. The organizational structure necessary to implement the agreement
6. The manner in which property, real or personal, shall be acquired, licensed or disposed of
7. That the entity created under this section shall be empowered to enter into contracts for policies of group insurance and employee benefits, including social security, for its employees

The ICA not only does not mandate how any of these items should be structured and accomplished, it gives no suggestions, no guidance, no examples at all on how to do so. While an argument can be made that structuring the act in this manner provides municipalities with the ultimate flexibility to construct agreements that meet local needs, in practical terms it forces communities to reinvent the wheel with each agreement or copy boilerplate arrangements that might not really apply. The process places a heavy burden on municipalities, particularly smaller municipalities with few professional resources and a lack of local government expertise. Arguably, those are the communities that need intergovernmental cooperation most. It's no wonder that there are not more substantial and significant ICA agreements.

Pennsylvania's Governor's Center for Local Government Services recognizes the dilemma. Its 2006 Intergovernmental Cooperation Handbook notes that "many details related to a specific program are often overlooked" by the ICA. The handbook then suggests other items that should be considered such as how additional municipalities can join, how municipalities can drop out, and representation and voting rules. The handbook also offers advice on allocating

costs including funding options by equal shares, population, assessed valuation, use or direct taxes (only allowed for environmental improvement compacts and transportation development districts).

Again, none of these suggestions are included in the law itself, leaving municipalities on their own. It's like telling an inexperienced baker to make a cake without providing a recipe. Meanwhile, in contrast to giving virtually no guidance on how to set up the agreement, the ICA goes on at great length to discuss how bids for joint purchases and for direct purchases from another local government are to be handled including a penalty section.

Municipalities across the state are straining to provide affordable public services that meet the needs of the citizenry and provide for the health, safety and welfare of the community. Regionalization makes sense as a way to provide public services that are both efficient and effective. It can lower borrowing costs, reduce personnel overhead expenses and maximize capital purchases. It can more effectively handle problems that cross municipal borders and allow smaller communities to make big purchases, obtain special skills and handle emergencies. So it is critical that procedures to enter into regionalization agreements be made more user friendly so that more municipalities will take advantage of the benefits.

In this response, PEL will focus on two areas that would strengthen the ICA: funding and procedures to exit intergovernmental agreements. As noted previously, the ICA does not outline funding options. PEL believes that authorizing a method of tax sharing would provide concrete, consistent funding. Relying on the individual municipalities to always allocate the appropriate amounts in their individual annual budgets could run into problems.

Again, the ICA handbook provides an example: three towns agree to fund a project with \$5,000 from each community. But only two budget the full share. That means the other two towns are left to pick up the difference, decrease their own shares or simply let the other town slide on its contribution. Or the underfunded town can raise its share but must now do so after it has set its tax rates and budget for the year. As the handbook notes, "none of these choices is acceptable."

Having a dedicated funding source would also make financing capital needs through borrowing easier and more cost effective since those providing the financing would have an assured repayment source.

PEL has included a proposal in this response that outlines a potential method to authorize tax sharing in the ICA.

In terms of procedures to exit intergovernmental agreements, one problem now is that too often municipalities decide to pull out of regional arrangements. This could be because of a change in political leadership or a perception that the municipality is no longer benefiting. Regardless of the reason, this can lead to the arrangement falling apart. In addition, regional capital improvements that are funded through borrowing can only work if debt service repayment is guaranteed through the continued allocation of resources from all the participants.

One existing model is Act 101, the Municipal Waste Planning, Recycling and Waste Reduction Act, in which municipalities dedicate their municipal waste stream (comparable to revenue in intergovernmental agreements) for 10 years to county solid waste management plans that must be approved by more than one half of the municipalities representing more than one half of the county's population. The approval provision could be used to ensure semi-permanence by only allowing regional agreements to be dissolved if agreed to by more than one half of the municipalities in the arrangement representing more than one half of the population in

the service area. There could also be requirements to remain in the agreement for a certain period of years and/or penalties if the municipality seeks to leave.

Finally, PEL believes that more emphasis should be placed on regionalizing public works as opposed to focusing on police services. Concentrating on police misses the fact that not all municipalities have or want local police, thus limiting the appeal. There are also many technical issues that must be overcome such as incompatible pension requirements.

Regionalizing public works services is an attractive alternative since all municipalities regardless of size, wealth or location provide public works. Public works also has an immense daily impact on citizens who live, work and shop regionally, crossing multiple municipal boundaries every day as they navigate roads that are a main public works function. Rain, snow and storm water have no regard for municipal boundaries, and it is more efficient to keep the snow plow on the road rather than pick it up and down as those municipal borders are crossed.

For the long term, it makes more sense to plan major road repairs and infrastructure improvements on a wider, regional basis. Regionalization may also counter problematic deferred maintenance that occurs in concert with stretched individual municipal public works budgets.

While PEL believes that regionalizing public works addresses the area of most common need and greatest citizen impact that does not mean that regionalizing police services should be abandoned. The funding proposal below could be applied equally to intergovernmental cooperation for both services.

PROPOSAL TO PROVIDE TAX BASED FUNDING OF SHARED MUNICIPAL SERVICES

Issue

The Commonwealth's Intergovernmental Cooperation Act (ICA) authorizes municipalities to enter into a joint agreement to provide a municipal service that transcends individual municipal boundary lines, however, the Commonwealth does not provide a statutory mechanism that concomitantly authorizes the cooperating municipalities to fund a joint service project on a scale that transcends municipal boundaries—each participating municipality must rely on its own individual tax base to fund a joint service project.

Proposal

Authorize two or more municipalities that enter into a joint agreement to cooperate in the performance or exercise of a government function the capability to summate their total assessed property values for the purposes of levying a uniform special property tax millage to fund the joint service project.

Justification

A joint service project provides services to the residents of all participating municipalities without recognition of the individual municipal boundaries. The Commonwealth should grant municipalities that enter into a joint service project the capacity to fund the expanded service area with a tax base that is similar to the boundary of the service impact area.

Incentive/Benefit

Each municipality participating in a joint service project will be able to leverage more dollars per mill with a combined assessed value base than they are otherwise able to generate as individual municipalities.

Currently, the disparate individual total assessed values in each municipality create unequal funding partnerships in a joint service project which discourages municipal cooperation.

Implementation

Add together their total assessed property values to use as a base for levying a uniform millage rate.

A uniform special property tax millage rate will be levied by each participating municipality upon the property owners within their respective municipality.

The proceeds of the special property tax millage would be restricted to be used exclusively to fund the joint service project.

The uniform special property tax millage would be distinct from the general fund and special purpose millages in the municipal codes or property taxes levied under an adopted home rule charter.

The uniform special millage levy would be exempt from the property tax limits in the municipal codes for general fund and special purpose property taxes.

The initial uniform special property tax mill rate would be based upon the aggregate of the current actual departmental (i.e., Public Works, Police, etc.) expenditures of each participating municipality. This can be an average of a municipality's actual departmental expenditures over the past 3 or 5 years or some other formula.

Municipalities that enter into a joint service agreement that levies the special property tax millage would be required to reduce their municipal code millage rate by an equivalent dollar amount.

Action

Amend the ICA to include a provision that offers municipalities entering into a joint service agreement pursuant to the ICA the option of levying a uniform special property tax millage rate within their respective municipalities that is based on the summation of their assessed property values for the purpose of funding the joint service project. The ICA amendment must include a vehicle for semi-permanence such as found in Act 101.

Pennsylvania Electronic Government Consortium

Statement to PA State Planning Board

Alan R. Kugler, 814-881-4155, ark@paegovc.org

Submitted December 15, 2016

Good Afternoon. I am Alan Kugler.

Thank You for inviting the Pennsylvania Electronic Government Consortium to be here today. I am presenting on behalf of the Consortium and other stakeholders in Pennsylvania advancing digital governance and planning.

Many of you will know me from my work at the Pennsylvania Economy League, my intergovernmental activities through the years, and my work for previous incarnations of the State Planning Board.

All my efforts through the years have been targeted at improving the operations of local governments with heavy emphasis on intergovernmental cooperation. I suppose I should also say that I have been the consultant to the three municipal consolidations, which legally combined two municipalities into one new one, that have taken place under the current PA Constitution adopted in 1968. They were St. Marys in Elk County, Fairview in Erie County, and Northern Cambria in Cambria County.

Through my work over the years, it has become increasingly apparent to me that many of our local governments in Pennsylvania lag far behind in utilizing and taking advantage of electronic and digital technologies. This was and, for many, continues to be a severe hindrance to them in many, many ways. It also became obvious to me that we could strongly support improved efficiencies and services, intergovernmental cooperation, and investments and advancements in communities by advocating improved electronic government capabilities both internally within the governments, and externally through intergovernmental organizations such as councils of governments. So, beginning around 2005, I started building into my activities recommendations and actions to improve capabilities for digital technologies.

This led to the development of the Erie Area Council of Governments electronic government program and similar efforts, and to the formation of the Pennsylvania Electronic Government Consortium and the programs the Consortium will undertake.

I believe the whole point for the State Planning Board is this:

There are meaningful and important ways to support significant and serious intergovernmental cooperation through the application of innovative digital technologies in local governments. The emphasis on the use of technologies can lead intergovernmental cooperation and support more regionally based activities and, most important, improve the functioning of the individual county and municipal governments.

The initiatives can include such elements as:

- Collaborative platforms and programs using innovative cloud based systems;
- Services for data back-up, storage, preservation and aggregation tools;
- Dissemination of information for best practices and capacity building;
- Circuit rider and other formal and informal programs of assistance;

- Application of large scale - regional - document sharing, records management, artificial intelligence, virtual reality, and predictive systems;
- Expanded and committed use of open data and the virtual modeling of our local and regional communities in real time to support the provision of services and decision making and to help drive economies of scale and economic development;
- Concerted and coordinated efforts to bring high-speed internet to all our rural communities in Pennsylvania;
- And all of this being done through direct partnerships with the Commonwealth, Municipal Associations, the Consortium itself, PACOG, local councils of governments, individual municipalities and, very importantly, the private sector.

All of this would be tied to supporting specific programs and services provided by the local governments and drive toward new ways of thinking and doing things. And none of it will threaten any of the governments.

My last point for now is this:

In Pennsylvania, we are fortunate to have a great Constitution and base laws supporting intergovernmental cooperation, but we have a lot of work to do for implementation. For example, the area-wide government provision in the Constitution has never, with the sole exception of the Allegheny Regional Asset District, been seriously applied. We need to better envision its application, and a good possibility for doing this is in the realm of the regional digital technologies.

All the current and future recommendations of the State Planning Board can be substantially aided using digital technologies through intergovernmental collaborations, and strengthening intergovernmental organizations to bring it about.

I hope this helps. I will try to expand on it and talk about other things such as the projects we are doing with the University of Pittsburgh, Graduate School of Public and International Affairs, and others in our writing to the State Planning Board. I will include the findings and current recommendations at that time. The group will also be working, going forward, on greater depth in the recommendations with more specific suggestions for actions.

I look forward to completing the preparation and submission of our written statement in mid-December.

Thanks!!!

Alan R. Kugler
Pennsylvania Electronic Government Consortium
December 1, 2016

Pennsylvania Electronic Government Consortium

Alan R. Kugler, 814-881-4155, ark@paegovc.org
David G. Henderson, 239-257-5200 or 239-887-0610, dgh@paegovc.org

The Pennsylvania Electronic Government Consortium, Inc., (PAeGovC) is a newly formed private, not-for-profit, non-partisan, civic-based organization. The mission of the Consortium is to provide local governments and not-for-profit organizations with technical assistance, information, educational opportunities and services to attain the benefits of state-of-the-art electronic data management, collaboration and programming.

The organization and program is a direct outgrowth of the electronic government work done over the past several years with the Erie Area Council of Governments Broadband, Electronic Government and Technology Implementation Program.

The Consortium is intended to be a:

- Statewide clearing house for innovation, expertise, information and best practices on electronic government opportunities and implementation;
- Provider of capacity building, education and training for electronic government activities at the local level. This is to be done through direct partnerships with other organizations that will provide the specific training and services;
- Provider of direct assistance in “help desk” and “circuit rider” capacities;
- Provider of other specific services, programs and projects in partnership with private and public sector entities.

Current Projects and Programs Underway or Planned

- Completed 2016 Capstone, Digital Technology Assessment with University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA)
 - 2017 Capstone, Digital Technology Policy Recommendations with University of Pittsburgh, Graduate School of Public and International Affairs (GSPIA)
 - Municipal Electronic Government Standards Development and Policy Planning Project
 - Pennsylvania Statewide Broadband Availability Project
 - Electronic Government Circuit Rider and Best Practices Programs
 - Facilitator for Warren County Digital Collaboration Project
-
-

The State of Digital Governance in Pennsylvania 2016

Capstone Seminar in Planning and Governance
Graduate School of Public and International Affairs
University of Pittsburgh
Faculty Advisor: Professor Sabina Deitrick

Closing Pennsylvania's Digital Divide

By Sabina E. Deitrick
(May 2016)

Paying taxes, buying a dog license, complaining about a pothole – more and more residents expect to conduct such business matters online with their local government rather than in person, on the phone, or through postal mail.

Municipalities across the Commonwealth are embracing digital technologies—along with their possible cost savings and benefits to residents—as a means to improve service provisions in local government. Other communities, however, lack the means, expertise, or knowledge in transitioning from paper to greater digital governance. The difference between these municipalities is what we might call the new ‘new digital divide.’

Students at the University of Pittsburgh have been working on projects to improve digital governance in our local governments. This spring, a group of students in the University of Pittsburgh’s Graduate School of Public and International Affairs conducted a survey of Pennsylvania municipalities to assess the state of digital governance in the Commonwealth. The students conducted the survey as part of their Capstone seminar on planning and governance. Through the Capstone project, the students assessed how local governments in Pennsylvania used modern digital technologies and then explored the barriers municipalities face in making the transition from paper to digital.

The Capstone survey focused on critical areas of digital governance, and results were used to gauge the level of digital maturity of Pennsylvania municipalities. Findings revealed a sharp divide in digital governance across local municipalities. While some municipalities were *maturing* in digital governance, most communities fell into a middle grouping of *developing* in their digital maturity, while a third set of local governments were rated as existing in the *early stage* of digital maturity.

Differences between local governments in the *early* stage of digital maturity compared to those in the *maturing* stage could not be starker. We might expect such differences in the use of financial resources and staff capacity, but the survey results emphasized that the divide was much greater than funds and human resources. The results showed that there are critical differences in leadership, strategy, perceptions and understanding of the use of digital technologies in local governments across Pennsylvania.

Leadership is central for advancing a digital agenda. Almost all digitally mature communities felt that their elected officials encouraged the use of digital technologies while similar sentiments were far less common with less digitally advanced communities.

Possessing a digital strategy was common for *maturing* stage local governments but uncommon for most other communities. In fact, survey results showed that a large majority of the less digitally sophisticated

municipalities lacked a good understanding of what improvements digital technologies could bring to their local governments.

Digitally advanced governments reported that the use of digital technologies in the office transformed the way staff worked. These local governments were also far more likely to provide resources to help staff take advantage of digital technologies in the office space. For the least digitally engaged communities, only one quarter felt that their staff had the skills to use digital technologies sufficiently and also reported that resources were not provided to help staff take advantage of digital technologies.

So ...what is needed to take the next steps?

The Commonwealth can provide assistance, information, and strategic implementation through a number of means, including the Pennsylvania Department of Community and Economic Development, which provides a one-stop shop for government officials through Local Government Services.

The many professional associations for elected officials and municipal staff, including Councils of Governments and the state associations of Townships Supervisors and Boroughs, are natural partners in communications and information sharing among the key drivers of digital governance in local communities.

Nonprofit organizations, such as Local Government Academy and the Pennsylvania Electronic Government Consortium, are already partnering with local officials through technical assistance and directed seminars.

Municipalities, such as North Fayette Township and Springettsbury Township, two case study communities in the Capstone, demonstrate success and leadership in digital governance, with lessons for other municipalities.

Higher education institutions, including the work at the University of Pittsburgh, demonstrate the important and productive links that occur when students employ their skills with local government partners in community-identified projects to move digital governance forward in smaller communities.

Residents of smaller and less-well-off communities shouldn't be on the short end of what is becoming commonplace in all other parts of residents' digital lives. It's time to close the digital divide across local governments in Pennsylvania.

This coming Spring of 2017, the GSPIA Capstone Seminar on Digital Governance will expand the data and analysis of the two previous classes to produce policy recommendations and a policy brief. The Capstone policy brief will take digital governance in Pennsylvania from research to action. The class would like to present its final brief to the State Planning Board at the end of April, if possible, or at the Planning Board's convenience.

PENNVEST COMMENTS TO THE PENNSYLVANIA STATE PLANNING BOARD – DECEMBER 1, 2016

Thank you for the opportunity to share information on PENNVEST, and how we incorporate local, county and regional planning efforts into PENNVEST funding consideration.

First a little background on the PENNVEST Program / Act 16 - 1988:

PENNVEST Loans & Grants – PENNVEST provides low-interest loans and in some cases some cases, grants for new construction or for improvements to publicly or privately owned drinking water, storm water or sewage treatment facilities, as well as non-point source pollution prevention best management practices. PENNVEST also provides loan funding to remediate brownfields sites, as well as loan funding to individual homeowners for repair or replacement of their malfunctioning on-lot septic system, first time connection to a public sewer collection system, or replacement of existing laterals. Many of the wastewater, drinking water, and non-point source construction projects funded by PENNVEST use federal dollars that carry requirements that must be met to maintain eligibility for these funds. Staff conducts a financial analysis to determine the interest rates and the length of the repayment period on any loan, as well as whether any grant funding might be awarded for the project, this analysis is based upon the communities' fiscal capacity. We also have a nutrient credit trading program to facilitate trading of nitrogen and phosphorus within the Chesapeake Bay.

Eligibility – Any municipality, authority or private entity that is an owner and/or operator of a drinking water, wastewater, or non-point source pollution prevention project is eligible under the PENNVEST program. Environmental permitting must be in place prior to approval.

Funding to Date – since 1988

\$7.944 Billion for 3,341 Projects

1,006 Drinking Water

1,571 Sewer

503 On-Lot

116 Storm Water

125 Non-Point Source

15 Brownfield

3 Acid Mine Drainage

Cooperation and Regional Planning in Infrastructure Investments

- Each project considered by the PENNVEST Board is required to participate in a planning consultation prior to submitting a request for funding. The project scope and service area are identified, as well as any problems that will be

addressed with implementation of the proposed project; we also identify specific benefits related to criteria such as public health, economic development, environmental or community related. The Department of Environmental Protection reviews each project and participates to ensure compliance with any sewerage (Act 537) or drinking water planning/service requirements. The project then can be better focused on those areas with the greatest impact.

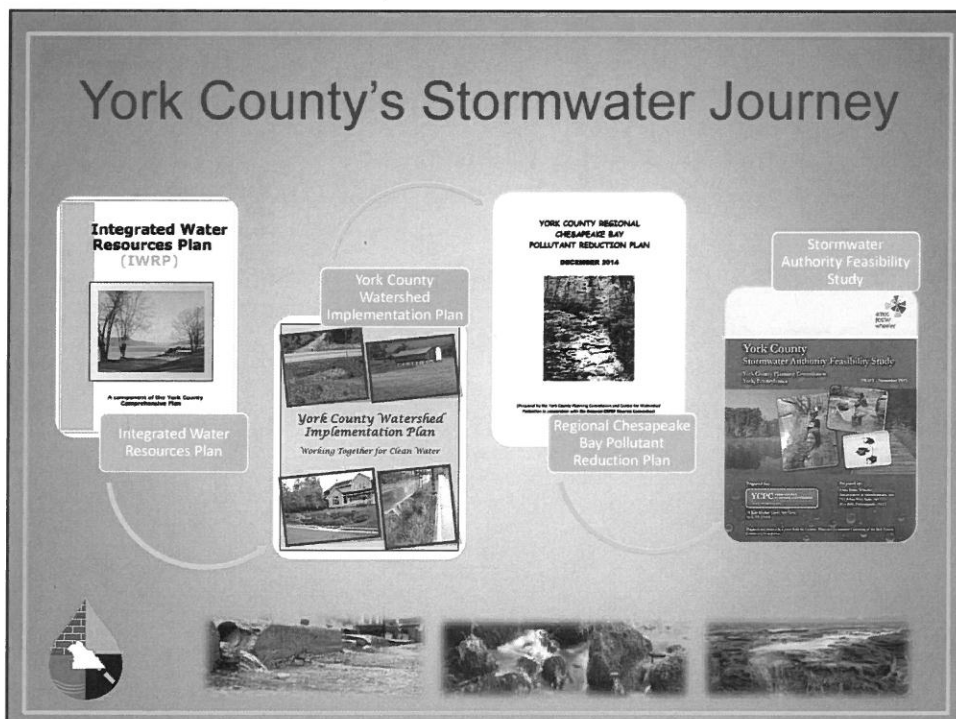
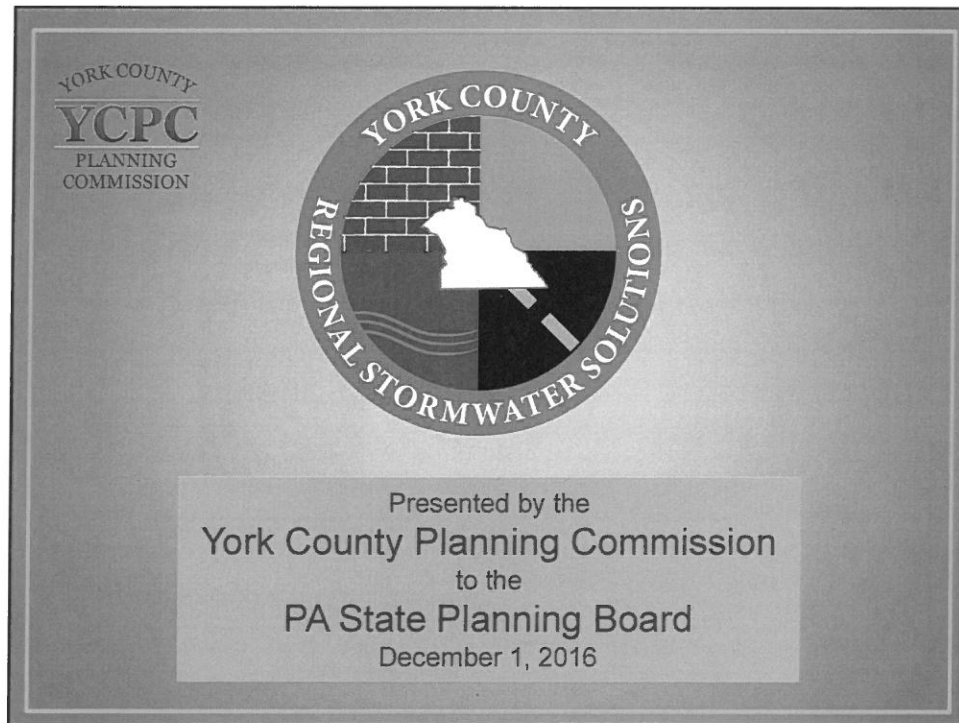
- The funding applicant is required to submit letters of concurrence from the local government and/or county planning office, as well as county agricultural preservation board in order to ensure that the project is consistent with local planning and agricultural preservation efforts. Regional Planning agencies are contacted directly by PENNVEST for their comments once the application is received. Projects found to be inconsistent with planning or agricultural preservation are held by staff until the issues can be mitigated and we obtain a clearance from the respective planning entities, and can recommend the project for funding.
- Funding is focused upon projects that include, or support regional solutions to water, sewer or storm water issues. Other projects that pursue a non-regional project when a regional solution is available at an equal or lower cost to the customers are not recommended for funding. Special funding terms are considered for those existing systems as incentive to extend physical or even administrative / management takeover of smaller troubled systems.
- PENNVEST supports existing infrastructure by including priority consideration to those projects that serve population centers such as a City, Borough or Township of the 1st Class. Additional priority is also afforded those project that serve an area designated as a Brownfield.
- PENNVEST funding can be mixed or matched with nearly any other funding stream – but cannot replace other funding reasonably available to the system.

Government Fragmentation:

- Bringing communities together in a comprehensive approach to regional needs in addressed at the PENNVEST Planning Consultation – in concert reliance upon existing Sewage Facility Planning (Act 537) and the state water plan and with support from county and local planning and agricultural preservation

Revitalization of Struggling Communities:

PENNVEST considers the demographics of the user base, and their capacity to handle any related debt to determine the final funding package, the more distressed areas with smaller populations typically receive more favorable terms; we also add priority for existing population centers, typically with existing infrastructure in need of improvements, and those projects that support utilization of previously developed areas (Brownfields).



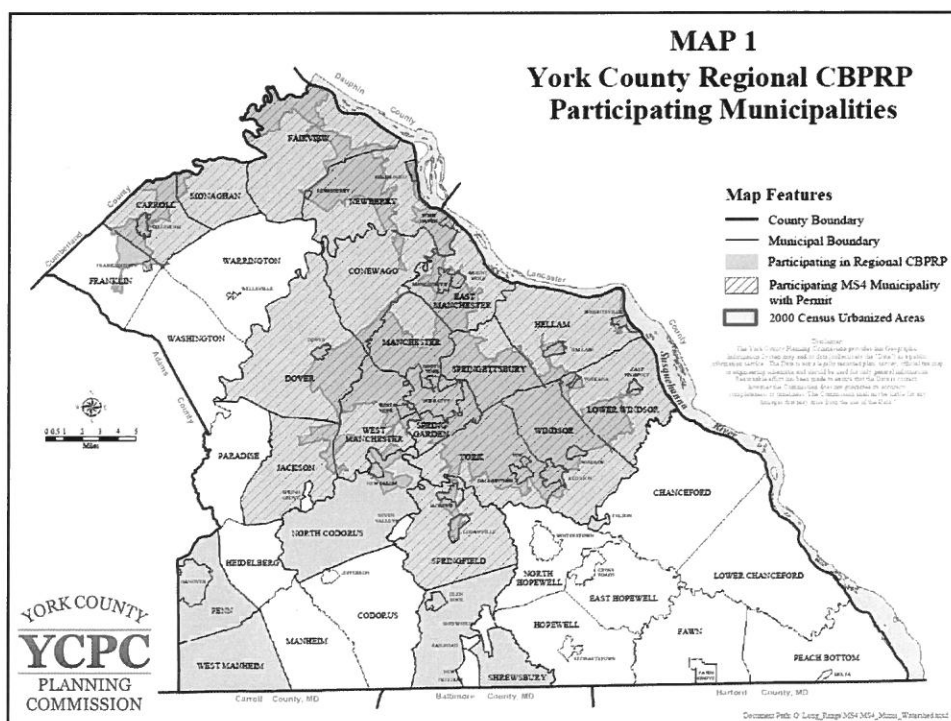
- YORK COUNTY REGIONAL
CHESAPEAKE BAY
POLLUTANT REDUCTION PLAN
DECEMBER 2014

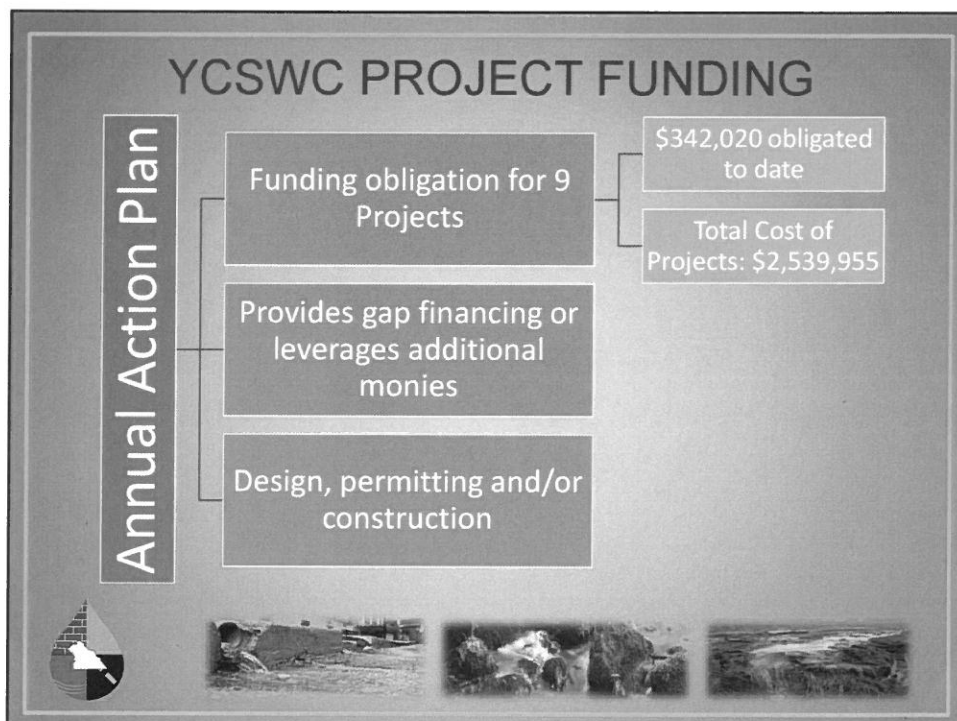
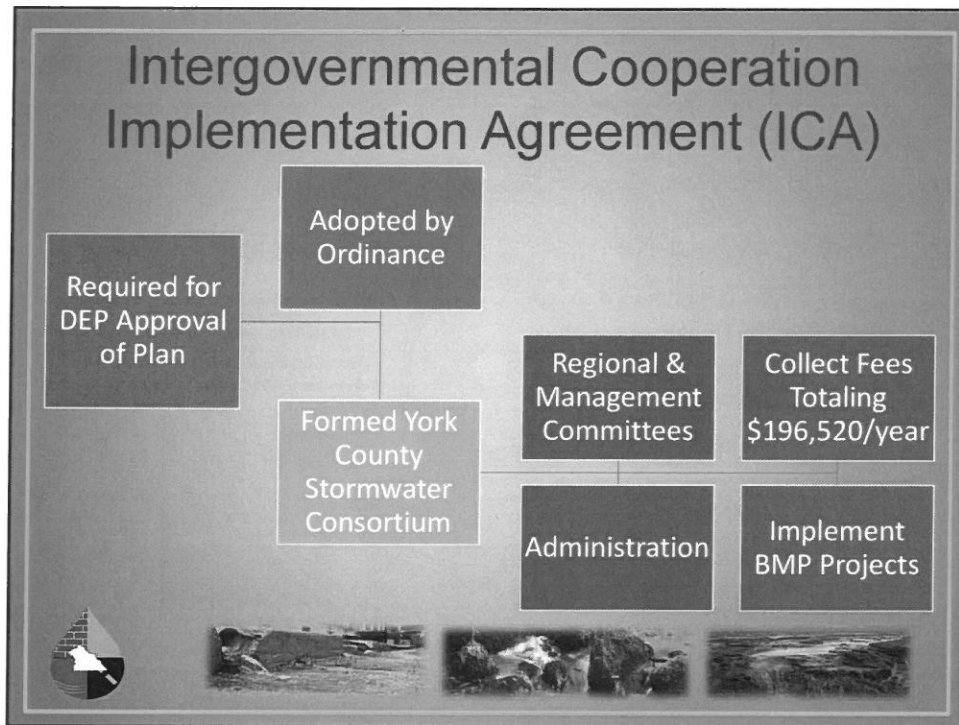


[Prepared by the York County Planning Commission and Center for Watershed Protection in cooperation with the Regional CBMP Steering Committee]



MAP 1
York County Regional CBPRP
Participating Municipalities





Regional CBPRP Progress (Years 1 & 2)

8 Projects Completed

- (3) Bioretention:
Hellam Twp, W. Manchester Twp,
Manchester Twp
- (2) Stream Restoration:
Hellam Twp, York Co Parks
- (1) Bioswale: Hellam Twp
- (1) Porous Pavement: York City
- (1) Riparian Forest Buffer: Fairview Twp


3 Projects under construction + others in the pipeline!

Pollutant Reduction of 126,071 lbs/yr

- 1,078 lbs/yr of TN
- 78 lbs/yr of TP
- 124,916 lbs/yr of TSS

YORK COUNTY REGIONAL
CHESAPEAKE BAY
POLLUTANT REDUCTION PLAN

MS4 ANNUAL/PROGRESS REPORT
(September 1, 2014 - August 31, 2015)



Prepared by the York County Planning Commission,
Administrator for the YCSWC.
Approved by the YCSWC Regional Committee: November 18, 2015

CBPRP Ingredients for Success

- PA DEP Support
- CBF Funding
- Not a lifetime commitment
- Common "enemy" - MS4 Permit Requirement
- Win/Win opportunity
- 3 TMDL's, but no WLA






Testimony of the Housing Alliance of Pennsylvania to the State Planning Board December 15, 2016

The Housing Alliance is a statewide coalition working to provide leadership and a common voice for policies, practices, and resources to ensure that all Pennsylvanians, especially those with low incomes, have access to safe, decent, and affordable homes. In addition, the Housing Alliance works to balance Pennsylvania's housing market and help local communities address blighted and abandoned properties.

Over the past 15 years we have traveled the state and met with local officials and community practitioners to understand the issues related to blight and to develop solutions. During that time, Pennsylvania created a number of new tools that are being used across the state and which have made Pennsylvania a leader in this area. At the same time, local governments have begun taking more initiative and putting new strategies to work.

Even in those communities that are fortunate enough to have thriving real estate markets and little or no blight, people are realizing that revitalizing our older communities goes hand in hand with protecting green space and halting sprawl. Unfortunately, it is still easier to develop greenspace than to deal with the many complications of in-town development, such as acquiring sufficient parcels, clearing title, and remediating environmental issues. Even rehabilitating an existing building has its challenges.

Still, there are advantages to developing housing or commercial space in an already built environment. Most significantly, the infrastructure is already there. There is no need to build new roads or lay new sewer or utility lines. And more and more, people are moving into cities and towns to take advantage of cultural amenities and shorter commutes.

There are public benefits to revitalizing older communities as well. Shorter commutes mean less air pollution. And while new roads may be constructed by the developers, they are eventually maintained by the public. Let's focus those dollars on the existing transportation system and on shoring up the existing infrastructure. Pennsylvania can and should incentivize development in older communities. Moreover, all policy decisions, including transportation, healthcare, and education, not just those directly involving development, should include consideration of their impact on older communities, greenspace preservation, and sprawl.

In order to revitalize our older cities and towns, local officials must raise the community standards for property maintenance and take control of vacant and abandoned properties. As noted above, many new legal tools and strategies are now available and are described in our manual *From Blight to Bright*. The online version, which is available at www.PaBlightLibrary.com, contains an appendix with local ordinances and other resources. The following are some of the most impactful tools and strategies.

Land Banks

In 2012, Pennsylvania enacted land bank enabling legislation. Land banks are a quasi-governmental entity whose sole purpose is to address vacant and blighted properties. There are now 15 land banks in Pennsylvania: 7 at the county level, 5 at the municipal level, and 3 multi-municipal land banks.

The variety and geographic diversity of the land banks exemplifies what we have experienced: blight is the common denominator in Pennsylvania. Deteriorated and vacant buildings are generally associated with urban areas, and there is no doubt that they are there, but they are also common in the old steel towns, the former oil region of northwest PA, and the coal region. Fortunately, what is also common across the state is a desire to tackle blight. Land banks are one way communities are taking control over blighted properties.

Land banks are also a good opportunity for multi-municipal cooperation. The enabling statute allows counties, municipalities with a population of 10,000 or more, and consortia of smaller municipalities to form a land bank. The three land banks that are consortia are an obvious example of multi-municipal cooperation, but so are the seven county level land banks. Here the land banks enter into intergovernmental cooperation agreements with each municipality that wishes to participate. Also, no matter what the jurisdiction of the land bank, it is essential to have the participation of the local school districts and other taxing authorities in order to remove existing tax liens. Land banks provide a forum for collectively assessing the blight remediation needs of an area and looking at impacts beyond municipal borders.

Conservatorship

Another law that has generated excitement across the state is the Abandoned and Blighted Property Conservatorship Act. Conservatorship can be used by a local government, a nonprofit corporation (including a housing authority or redevelopment authority), and an individual or business in close proximity to the property to petition the court to appoint a third party to rehabilitate or demolish an abandoned property when the owner has died, moved away, or simply refuses to act.

The first case was filed right after the law went into effect in early 2009 in St. Clair Borough, Schuylkill County. The borough was the petitioner and had lined up a buyer before filing the action. The next door neighbor had agreed to take the property and

demolish it so he could use it as a side yard. The borough used conservatorship to clear the title.

Since then more than 100 cases have been filed. Redevelopment authorities, municipalities, community development corporations, and individuals have all used conservatorship to make their communities better places to live.

Stopping Bad Actors

In addition to reclaiming vacant properties, we need to be able to hold owners accountable and stop them from spreading blight. The first step is code enforcement. Many cities and towns are taking a more proactive approach to code enforcement rather than simply responding to complaints from neighbors.

Code enforcement is another area where multi-municipal action can be beneficial. In March of 2015, the Turtle Creek Valley COG piloted a multi-municipal code enforcement program with Wilkins Township and Churchill Borough. It has since grown to five towns, soon to be six. A multi-municipal approach to code enforcement is important for a number of reasons. The first is cost sharing of employees, equipment and technology. Full time employees with benefits are hired and certified, however towns can use this service in a part time capacity. Moreover, blight does not respect municipal boundaries and slumlords often do damaging work in many towns. Collecting data on a regional level allows better use of other legal tools. The Turtle Creek Valley COG has developed an effective database that captures all of the work of the code enforcement officers across municipal boundaries.

In addition to code enforcement, there are several laws to hold owners responsible. First, tax claim bureaus may prohibit purchases at tax sale by people who are delinquent in property taxes or municipal utility charges, or who have outstanding code violations on other properties.

Under the Neighborhood Bight Reclamation and Revitalization Act, commonly known as Act 90, municipalities may deny certain permits and licenses to property owners who have code violations on other properties anywhere in the commonwealth, or who are delinquent on property taxes on municipal utilities.

Act 90 also establishes a process for going after an owner's personal assets by way of a civil suit, rather than simply lienning the property in question. It is also possible for a municipality to file a civil suit for creating a nuisance under the various municipal codes.

Local Initiatives

The most promising thing we are seeing across the state is that municipalities are changing their approach to code enforcement. As noted above, local governments are being proactive. They are doing block by block exterior inspections and, more and more, are issuing quality of life tickets as a first step rather than code violation citations.

They are also instituting rental inspections and pre-sale inspections. This ensures that properties in the stream of commerce, even if temporarily, are in good condition or at least that the buyer is made aware of code violations.

The Housing Alliance has found a hunger among local official for information about blight remediation. We have provided training through webinars, workshops at our annual Homes Within Reach Conference, blight summits at the county or legislative district level, and presentations at conferences of various statewide associations. We have also provided technical assistance on land bank formation and preparing blight plans. We encourage the state to look for ways to continue to educate local officials.

But as communities and local governments have stepped up their campaigns to address blight and promote revitalization, they find there are still barriers. In a nutshell, they lack the capacity to take their initiatives to scale.

For example, many communities find it difficult to ramp up code enforcement when they have one part time codes officer. Even multi-municipal arrangements may be understaffed compared to the need. While some programs like rental or pre-sale inspections will eventually pay for themselves, getting started is difficult with limited resources. One proposal to address this problem is contained in HB 2239 which assesses a \$1 fee on building permits to create a Code Enforcement Grants program, allowing municipalities to start or expand blight related code enforcement.

Similarly, land banks, which have been received with great enthusiasm across the state, have handled relatively few properties due to lack of funding. Pennsylvania should explore the creation of a reliable funding stream for land banks. Ohio, for example, assesses a fee on the collection of delinquent property taxes which is used, in part, to fund land banks. Other sources could also be explored.

Another very significant step toward improving the condition of vacant properties would be to make sure lenders maintain properties that become vacant during the pendency of a foreclosure. Both New York and New Jersey have such laws. Properties that are not maintained destabilize whole blocks.

Revitalization does not just mean rehabilitating vacant buildings or demolishing them and building new in their place. In many of our towns, population loss over the last several decades has been so severe that there is simply no market for all of the homes and commercial properties that were built during the town's heyday. It is time for serious discussions about repurposing land, that is, demolishing properties and creating parks, side yards, urban farms, and storm water management systems.

As older communities do improve, whether through blight interventions or other market forces, we need to make sure that the benefits of those changes inure to longtime residents and not just to new arrivals. Pennsylvania can adopt policies that support inclusive communities, such as:

- providing home improvement programs to allow low income homeowners to fix up their homes rather than selling them as the only way to get out from under the burden of needed repairs;
- giving priority to funding requests for mixed income and/or long term affordability developments;
- funding the preservation of existing affordable rental developments, many of which are now 20 – 30 years old and in need of improvements, including energy efficiency upgrades;
- amending the Municipalities Planning Code (MPC) to ensure that municipalities zone for all populations. Currently §301(a)(2.1) of the MPC directs the local government preparing a comprehensive plan to meet the housing needs of present and future residents, “which may include” preserving or rehabilitating existing housing and accommodating “new housing in different dwelling types and at appropriate densities for households of all income levels.” Accommodating all income levels should be a basic requirement, not an option, but at least income is mentioned in that section.

Under the zoning purposes section (§604(4)), however, local governments are only instructed to zone for all dwelling types. Income levels are not mentioned. Pennsylvania’s laws should be inclusive of all populations. No population should be optional when it comes to finding a home.

Thank you for the opportunity to provide comments. We look forward to working with you to enhance the vitality of all of Pennsylvania’s communities.



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padowntown.org

STATE PLANNING BOARD PRESENTATION

DECEMBER 1, 2017

COMMUNITY REVITALIZATION

1. Introduction

2. Major "Structural" Changes

- a. Number one 2015 site location factor - Availability of Skilled Labor
- b. Number three 2015 site location factor – Quality of Life

3. Planning Issues

- a. Lots of good planning work has been done
- b. No required mandate to follow plans that are prepared
- c. Change language in MPC to "Shall & Must" rather than "May & Should"
- d. Require(demand?) local accountability to state plans and goals
 - i. Keystone Principles
 - ii. State Preservation Plan (PHMC)
 - iii. State Comprehensive Outdoor Recreation Plan (DCNR)
 - iv. Heritage Area Plans (DCNR)
- e. Prioritize funding incentives to efforts that demonstrate accountability

4. Scarcity of Resources

- a. 2008-09 - \$59million +/- for community revitalization (~\$5.00/resident)
 - i. Main Street
 - ii. Elm Street
 - iii. Enterprise Zone
 - iv. Redevelopment Assistance
 - v. Accessible Housing
- b. 2016-17 - \$6.1 million of "discretionary" funding (~ \$.50 resident)
- c. Most communities lack dedicated local governmental CED support
- d. Many local governments rely on volunteer driven non-profits
- e. Local non-profits rely on hard working – underpaid revitalization managers.
- f. Few financial resources to support local professional assistance.
- g. Programs require local organizations to provide professional assistance
- h. The "rich get richer."
- i. Compliance with the Main Street and Elm Street Acts.
- j. Provide automatic tax incentives to designated Main Street / Elm Street programs – i.e. NAP type tax credit allocation.
- k. Take Redevelopment Assistance out of the Keystone Communities Program and increase funding levels to address blight.
- l. Consider a dedicated Main Street / Elm Street Budget line item.
- m. Make sure that the right hand knows what the left hand is doing at the state level and that funding is coordinated (*getting better*).

COMBINED RATINGS CORPORATE SURVEY 2015

Site Selection Factors	2015	2014
Ranking		
1. Availability of skilled labor	92.9*	82.1 (5)**
2. Highway accessibility	88.0	88.3 (1)
3. Quality of life	87.6	N/A
4. Occupancy or construction costs	85.4	87.9 (2)
5. Available buildings	83.7	82.2 (4)
6. Labor costs	80.8	81.6 (6)
7. Corporate tax rate	78.8	75.6 (10)
8. Proximity to major markets	76.3	77.1 (8)
9. State and local incentives	75.8	73.2 (11)
10. Energy availability and costs	75.3	76.8 (9)
11. Tax exemptions	74.7	73.2 (11T)
12. Expedited or "fast-track" permitting	74.2	71.0 (13)
13. Available land	73.9	85.7 (3)
14. Environmental regulations	69.8	68.6 (16)
15. Training programs/technical colleges	68.7	62.8 (18)
16. Availability of long-term financing	67.7	63.1 (17)
16T. Right-to-work state	67.7	77.9 (7)
18. Low union profile	66.3	70.9 (14)
19. Inbound/outbound shipping costs	64.6	69.5 (15)
20. Proximity to suppliers	64.3	60.3 (21)
21. Accessibility to major airport	58.6	62.4 (19)
22. Water availability	54.6	44.0 (25)
23. Availability of advanced ICT services	53.6	45.1 (24)
24. Raw materials availability	52.6	53.7 (22)
25. Proximity to innovation/ commercialization R&D centers	48.4	N/A
26. Availability of unskilled labor	47.8	52.5 (23)
27. Railroad service	32.4	30.9 (26)
28. Waterway or oceanport accessibility	24.0	27.8 (27)

* All figures are percentages and are the total of the "very important" and "important" ratings of the Area Development Corporate Survey and are rounded to the nearest tenth of a percent.

** 2014 ranking

Quality of Life Factors

1. Climate
2. Housing Availability
3. Housing Costs
4. Healthcare Facilities
5. Ratings of Public Schools
6. Cultural Opportunities
7. Recreational Opportunities
8. Colleges and Universities
9. Low Crime Rate