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General

E-mails spreading false information about Medicare tax

There are rumors, e-mails and blogs spreading false information about the new health-care legislation passed earlier this year. PAR and the SRA have been hearing from members who are concerned about a portion of the law that outlines ways in which the insurance will be funded, including a tax on the profits from real estate sales. The tax is directed at high-income taxpayers and will have no impact on the vast majority of homebuyers. The Health Care and Education Reconciliation Act of 2010 levies a 3.8 percent tax on the profits from the sale of real estate, residential or investment. The average taxpayer would not be affected by this tax. Anyone with an adjusted gross income of less than \$200,000 is exempt from the law. The law will apply to married couples who file a joint return if their income is more than \$250,000. (It was estimated that approximately [3 percent of U.S. taxpayers](#) fell into this category in 2009.) Only the sales of homes that have a "net investment income" would be considered under this tax. The existing home sale capital gains exclusion rule still applies. According to NAR, the new Medicare tax would only apply to a home sale gain realized in excess of the \$250,000/\$500,000 that pushes the taxpayer's adjusted gross income over the \$200,000/\$250,000 income limits. NAR's [Myth Busters](#) and [FAQs](#) provide REALTORS® with additional information on the tax provisions. For specific details, consult your tax advisor. [Click here](#) for the full article in PAR's Just Listed.

Source: PAR Just Listed; 7/23/2010

NAR hails proposal to restrict GSE mortgages with private transfer fees

The National Association of Realtors® commended the Federal Housing Finance Agency for taking steps to restrict government-sponsored enterprises – Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks – from investing in mortgages with private transfer fee covenants. A private transfer fee, often attached to a property by a developer, is a fee due to the developer each time the property is resold. The term of some covenants can extend for 99 years. NAR is a leader of a coalition that strongly opposes such fees. Twelve states enacted legislation in 2010 that ban private transfer fees. They are Arizona, Delaware, Hawaii, Illinois, Iowa, Maryland, Louisiana, Ohio, Mississippi, Minnesota, North Carolina and Utah. A growing number of other states have indicated they are considering similar actions.

Source: Realtor.org; 8/13/2010

Pennsylvania releases delinquent taxpayer list

As a follow-up to Pennsylvania's recent Tax Amnesty program, the Department of Revenue has released a newly expanded online list detailing more than 39,000 state tax liens against individuals and businesses that owe \$233 million in state taxes. Click [here](#) to see the list.

Source: Daily Local; 8/17/2010

Bucks

New Hope businesses growing and expanding

The Greater New Hope Chamber of Commerce reports that businesses in the New Hope area are standing firm in tough economic times. In the past year alone, over 30 businesses have opened or expanded operations in New Hope. The chamber cites warm weather and several new events in the area, including Friday night fireworks, a collaborative effort with the Lambertville, N.J. Chamber of Commerce that will run through Labor Day.

Source: Philadelphia Business Journal; 8/9/10

Enterprise zone designation sought for Bucks municipalities

An Enterprise Zone designation in place since 1997 for Bristol, Bensalem, and Falls townships, Morrisville, Tullytown and Bristol Boroughs expired on June 30. The designation, approved by the Pennsylvania Department of Community and Economic Development, provides for job and business growth in economically disadvantaged areas through grants, low-interest loans and state tax credits. The Bucks County Redevelopment Authority has applied for a new designation of the municipalities and added Penndel Borough. The authority hopes to focus redevelopment on the revitalization of waterfront in Bucks County.

Source: Philadelphia Business Journal; 8/19/10

Bensalem ambulance tax hike goes to voters

The Bensalem Township Council recently voted to place an ambulance service tax hike question on the November ballot. The Bensalem Rescue Squad is asking township residents to support a 1 mill tax increase for ambulance services. This would amount to a \$22 tax hike on the average assessed property at \$22,000. The ambulance squad cites a loss of \$250,000 in grant income, a large increase in service calls and the inability of many customers to pay the ambulance bill as a reason for the tax hike request. In 2009, roughly 48 percent of ambulance bills went unpaid.

Source: Bucks County Courier Times; 8/10/10

Newtown Borough planners present development ordinance

The Newtown Borough Planning Commission presented a finalized version of the Traditional Neighborhood Development (TND) Ordinance to township council recently. Council will vote to send the TND on to Bucks County planners for review. The ordinance would allow for more development in Newtown Borough by allowing for mixed uses in TND zoned areas where currently only residential use is permitted. There are four TND zoning areas out of nine districts in Newtown Borough.

Source: The Intelligencer; 8/9/10

Chester

West Chester University asked to stop buying real estate

West Chester Borough Council passed a non-binding resolution Wednesday night asking West Chester University to stop buying real estate in the borough. The resolution also requests that the university reimburse the borough for tax revenues lost as the result of a recent land purchase. The university is tax-exempt, which means it does not pay real estate taxes on the properties it owns. Earlier this year, it purchased two privately owned buildings on South High Street: the College Arms student housing complex and a house at 624 S. High St. Borough officials calculate that the university's purchase of College Arms will reduce real estate tax revenue by more than \$7,400 per year. This money, officials said, will have to be made up by the borough's residential and commercial taxpayers. Borough officials said the university did not consult with them before purchasing these properties. Officials added that the purchase violates an agreement the university struck with West Chester a decade ago not to buy more land in the borough. Borough officials have long been worried about the high percentage of tax-exempt properties in the municipality. Properties owned by Chester County, Chester County Hospital, the West Chester Area School District, the university, churches and nonprofits cannot be taxed. Such properties make up nearly 36 percent of borough land.

Source: Daily Local; 8/20/2010

Penn supervisors ponder fate of ordinance records

Anyone seeking an up-to-date copy of ordinances passed by Penn Township is apparently out of luck. The ordinance book is so outdated, no complete books are available. Supervisor William Finnen urged his colleagues to accept a \$14,735 proposal from McCormick Taylor engineers to prepare the ordinance book for codification. Board Chairman Curtis Mason opposed the contract due to its limits. The board agreed to contact Chester County officials for help.

Source: Daily Local; 8/18/2010

Coatesville RDA refocuses on future

The Flats, the Pulver Hotel, the Chetty project, and the Fleetwood Street homes are just a few of the redevelopment projects that currently fall under the purview of the Coatesville Redevelopment Authority (RDA). The RDA board recently discussed creating a business plan and a strategic plan to organize the assets for which it is responsible. The board is also considering seeking help from the Chester County Economic Development Committee, and voted to create a two-member committee to work with city staff and the CCEDC in creating these plans. As changes in leadership and economic challenges have stalled planned improvements in the city, the 10-year-old organization has become an increasingly important partner in the effort to move forward toward completing city goals. The nonprofit organization offers a wide range of services, including financing services, a business retention and expansion program, work force development and industry partnerships, and land and building site selection.

Source: Daily Local; 8/18/2010

East Bradford neighbors complain sun glare is blinding from solar panels

While few people may be able to afford large solar panel arrays, one enthusiastic homeowner on Muirfield Drive in East Bradford covered his roof with the panels and by doing so created a glare problem for his neighbors. Township officials say they are aware of the complaint and are working with the solar company that installed the panels. Brenden Beaumont, the township's zoning officer, said he was working with the solar company to come up with a solution. The township is now requiring that a glare study be done as part of the permit process for any solar application whether it is roof-mounted or ground-mounted. The study will examine the angle of the sun at the location of the photovoltaic system throughout the year on an hour by hour basis as well as the angles of the panels. The Board of Supervisors recently adopted rules governing ground-mounted systems requiring that they be no larger than 500 square feet and not be placed in a front yard. In the last three years, the township has issued permits for about 10 residential solar systems and one solar farm.

Source: Daily Local; 8/18/2010

Plans forthcoming for NVF site in Kennett Square

The NVF industrial site's future awaits a plan to address its various environmental issues. Abandoned for years, the former industrial site was recently bought by the Delaware Valley Development Corp. Borough Manager Brant Kucera said owner George Beer's plans for the site will likely arrive before borough officials soon. Kucera said earlier plans for the site included a traditional neighborhood layout of age-restricted

housing with townhomes and single-family dwellings. He said officials also discussed a commercial or municipal component, including a community center and shops.

Source: Daily Local; 8/16/2010

Delaware

Radnor revenue growing, but problems loom

Radnor officials and residents recently received a sneak peek at the state of the township's budget. As of the end of July, 83 percent of the total revenues budgeted for the year for the township's general fund had been earned. That's about \$19.6 million of \$23.6 million. (The same time last year 67 percent of budgeted revenues had been earned in the first seven months.) Just over half of the budgeted expenses – 56.3 percent – for the year were spent in the first seven months of 2010. That's \$11.7 million out of \$20.8 million. Even though permit, license and fee earnings are up so far, as are earnings from the business-privilege tax, there remain a number of significant and increasing costs the township must face, said finance director Bill White. There are significant increases associated with four major areas of obligations being predicted for next year and the following years: debt service, pension obligations, health-care premiums and the restoration of the township's fund-balance requirement.

Source: Daily Times; 8/16/2010

Nether Providence inspection ordinance adjusted

A recently enacted township ordinance on rental property inspections has been tweaked by officials, but in a way that only impacts a single property. In June, commissioners approved an ordinance subjecting all rental properties in Nether Providence to annual municipal inspections carrying a fee of \$200. However, after hearing from the owners of the Plush Mills senior rental apartments, the board decided to revise the new law to state that for facilities with more than 40 units, the fee will drop to \$25 for each unit after the 40th. The only rental site in the township to meet that criteria is Plush Mills, which has 124 units.

Source: Daily Times; 8/18/2010

Folcroft residents upset over flooding problems

Folcroft Residents of Delview Drive and Shalcross Avenue attended a recent borough council meeting and voiced complaints about flooded basements, which resulted in property damage and financial loss. Engineer Lisa Catania said the old inlet was outdated and was replaced with an M Top, which actually allows more water flow. Catania also mentioned that issues exist with residents installing sump pumps into their sanitary sewer lines, as well as floor drains, both of which are illegal. Also, some residents have added toilet facilities at the level of the main without adding backflow protection. Council President Marianne French said public works employees will be instructed to check the inlet drains on a daily basis to make certain they are clear. In addition, Catania was authorized to pay a personal visit to the sites for evaluation.

Source: Daily Times; 8/17/2010

Darby delays zoning discussion

A recent meeting to discuss Darby Borough's new zoning ordinance has been postponed. Darby officials have not announced a new date for the meeting. The meeting of the borough's planning commission had been intended to give residents a chance to discuss the new ordinance, which aims to strengthen property maintenance codes and direct new commercial and mixed use development to the Main Street corridor and other areas of the borough. A public hearing to discuss the ordinance before full council remains scheduled for September 8. A full copy of the zoning ordinance is available at www.darbyborough.com.

Source: Daily Times; 8/13/2010

Lower Chichester residents concerned about lack of parking

A group of Cranston Avenue residents attended a recent Lower Chichester Commission meeting to complain about parking. One resident indicated that there are 32 homes on the street, but there are only 36 available spots. Commission President Rocco Gaspari said the parking situation has been discussed on several occasions. The borough considered reinstating a sticker on car mirrors that would indicate residency. The commissioners will continue to work on a solution to the problem.

Source: Daily Times; 8/13/2010

Montgomery

Lower Merion announces code update for swimming pool owners

The Lower Merion Board of Commissioners adopted the 2009 International Property Maintenance Code in June 2010. With the adoption of the 2009 IPMC, a new requirement was implemented for all private swimming pools, spas and hot tubs that contain more than 24-inches of water. All pools must now be completely surrounded by a fence meeting the barrier requirements found in Appendix "G" of the 2009 International Residential Code. Spas and hot tubs are exempt only if they are equipped with an approved safety cover. Please contact the Lower Merion Building and Planning Department at (610) 645-6200 for specific information about this new requirement.

Source: Lower Merion Township; 8/5/10

Commissioners approve plans for \$8.4 million in HUD funds

Montgomery County Commissioners recently approved plans for \$8.4 million in HUD funds for the county. The approved action plan will fund a variety of projects throughout Montgomery County, including housing for low-income seniors, youth programs, revitalization and homeless shelters. The County Department of Housing and Community Development administers the programs and works with a variety of organizations and agencies to ensure compliance. Recipients of the funding include Habitat for Humanity, the Salvation Army, Laurel House, Genesis Housing and others.

Source: The Times Herald; 8/12/10

Ardmore Transit Center awarded \$9 million grant

The Ardmore Transit Center project in Lower Merion was recently awarded a \$9 million Redevelopment Assistance Capital Program (RACP) grant. The RACP funding will target economic growth by providing money for improvements in public transit facilities. The Ardmore Transit Center received a \$6 million RCAP grant previously, bringing the total state grant funding up to \$15 million. The Ardmore Transit Center is a transit-oriented development designed to meld residential units with pedestrian access to major transit and offices. Design is underway and groundbreaking is anticipated sometime in late 2011 or early 2012.

Source: Lower Merion Township; 8/4/10

Audit shows improvement in Pottstown's finances

A 2009 audit of Pottstown's books shows an improvement in the financial outlook of the borough. Recent changes implemented by the borough, including changing budget projections for revenue from 100 percent collection to a more realistic 93 percent collection rate, allowed the borough to end the year with more revenue than anticipated. Although still struggling, the audit presented a better outlook overall for the borough, which ended 2009 with a \$16,000 deficit, quite a difference from the \$2.7 million deficit recorded the previous year. Borough Manager Jason Bobst attributes much of the change to cleaning up the borough's books.

Source: Pottstown Mercury; 8/9/10