



Thursday, Feb. 2, 2012

Mr. Sean Weckerly, President
Penndel Borough Council
300 Bellevue Ave.
Penndel, PA 19047

Dear Mr. Weckerly:

I am writing to provide input regarding Penndel Borough's proposed Ordinance 2012-2, establishing a requirement for certification of sanitary sewer laterals. As currently written, the ordinance contains language of concern to our Realtor members that conduct business in Penndel.

First and foremost, we object to language in Section III of the ordinance which states that "no Document of Certification will be issued until the lateral is repaired, the system re-televised and certification of such removal/repair by a registered, licensed plumber is received." We feel strongly that any enforcement of this language by Penndel would constitute a serious violation of the provisions of the PA Municipal Code and Ordinance Compliance Act (MCOCA).

In short, the MCOCA states that use and occupancy certificates (Document of Certification) can only be denied by a municipality when a *substantial violation* of code renders the property unfit for habitation. Specifically, MCOCA states that "a municipality shall not refuse to issue a use and occupancy certificate or similar permit on the basis of a substantial violation or require the correction of a substantial violation as a condition to issuing a use and occupancy certificate or similar permit, ***unless the substantial violation renders the property unfit for habitation.***" (P.L. 724-99 Municipal Code and Ordinance Compliance Act, section 3, subsection e)

In addition, MCOCA provides that purchasers of real estate have at least 18 months to "bring the building, structure, or that part of the building or structure into compliance with" code.

While we understand the need for inspecting sewer laterals within the borough, we are concerned that a point-of-sale inspection program will complicate real estate transactions at a time when the market continues to struggle. The addition of a sewer inspection at the point-of-sale will no doubt cause delays to escrow to occur. This section of the ordinance could potentially create unknown expenses for both parties to negotiate, late in the process. Because many homes being sold today are either in foreclosure or "under water" regarding their mortgage, it is often impossible for sellers to come up with the funding needed to make major repairs. At worst, this type of point-of-sale requirement could cause home sales to fall through due to the unexpected expenses that may arise from required repairs.

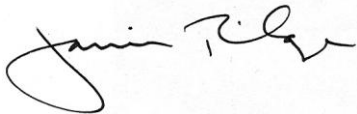
100 Deerfield Lane
Suite 230
Malvern, PA 19355
610-981-9000
www.suburbanrealtorsalliance.com

Additionally, the small number of home sales that take place in Pennel Borough on an annual basis make the potentially negative impact of a point-of-sale sewer lateral inspection requirement not worth the risk. Based on information from Trend Multiple Listing Service, the regional MLS used in Bucks County, less than 1.5 percent of homes in Pennel have been sold per year from 2009 - 2011.

While we are strongly opposed to the current language in the ordinance, we would support an ordinance that includes a general requirement for the inspection of all sewer laterals. This would be a much more effective way to address the need to curb illegal sewer connections, and address the problem of inflow and infiltration.

Thank you for considering our organization's concern regarding the current draft of this ordinance. We look forward to working with Pennel Borough to ensure that any ordinance that impacts real estate provides clear guidelines for property owners, consumers, and the Realtors who live and work in the community.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Ridge". The signature is written in a cursive style with a large initial "J" and "R".

Jamie Ridge
President/CEO