

*SHOW ME THE MONEY!*

*Fees and the  
PA Municipalities Planning Code*

**GFOA-PA  
Annual Conference**

May 19, 2024



**John Trant**

**412-857-2151**

**[John@strategic-solutionsllc.com](mailto:John@strategic-solutionsllc.com)**

***Strategic-SolutionsLLC.com***



# STRATEGIC SOLUTIONS



GRANT FUNDING  
& PROJECT  
MANAGEMENT



INTERIM  
EXECUTIVE  
LEADERSHIP



COMMUNITY  
& ECONOMIC  
DEVELOPMENT



HUMAN  
RESOURCES



STRATEGIC &  
COMPREHENSIVE  
PLANNING



ZONING &  
LAND USE



CODE  
ENFORCEMENT







# Topics



Municipalities Planning Code  
Zoning Hearing Board Stenographer  
Recreation Fees in Lieu of Dedication  
Transportation Impact Fees  
Land Development Review Fees  
Financial Security



**SHOW  
ME THE  
MONEY!**







# Do as I say, not as I do

---

DILLON'S RULE (1868)



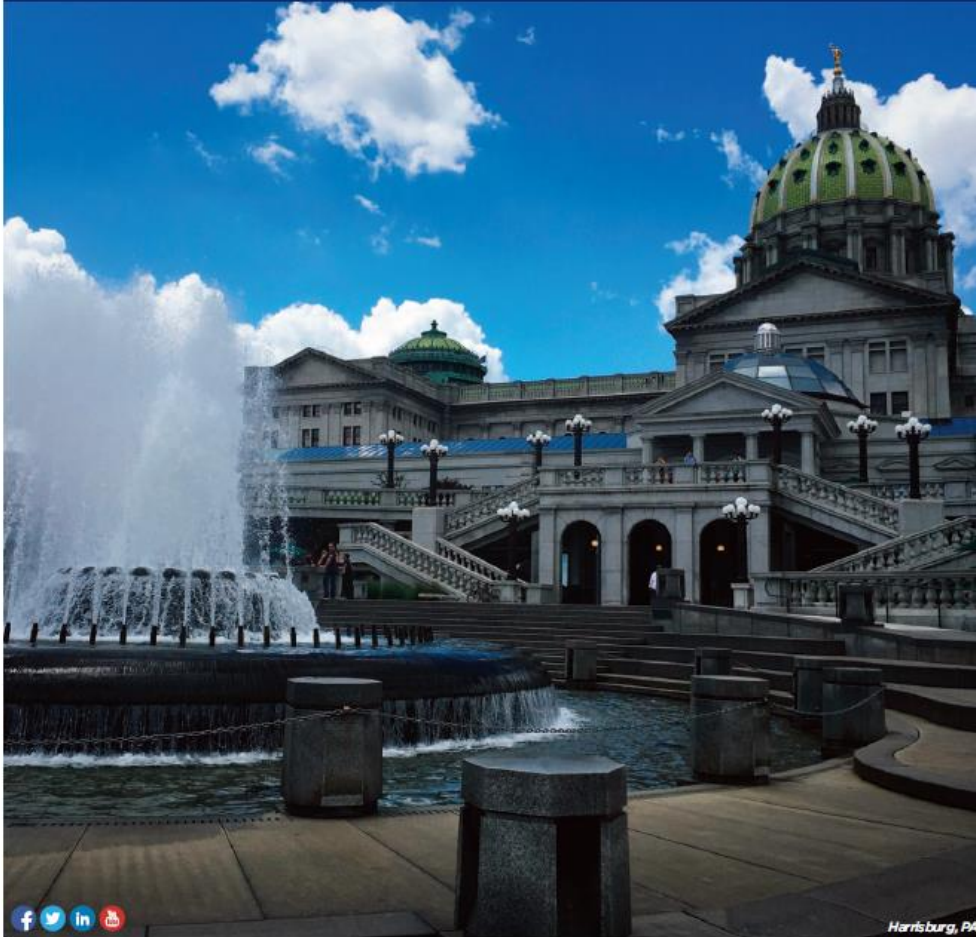
## **DILLON'S RULE**

**It is a general and undisputed proposition that a municipal corporation possesses and can exercise the following powers, and no others: first, those granted in express words; second, those necessarily or fairly implied in or incident to the powers expressly granted; third, those essential to the accomplishment of the declared objects and purposes of the corporation—not simply convenient, but indispensable. Any fair, reasonable, substantial doubt concerning the existence of a power is resolved by the courts against a corporation, and the power is denied.**



## PENNSYLVANIA MUNICIPALITIES PLANNING CODE

Act of 1968, P.L.805, No.247 as reenacted and amended.  
Twenty Fourth Edition | February 2022



Harrisburg, PA

Commonwealth of Pennsylvania  
PA Department of Community & Economic Development | [dced.pa.gov](http://dced.pa.gov)

# The MPC

Provides wide array of regulatory tools to aid in making the best decisions for the growth, development, and well-being of a community.

Requires municipalities that do regulate land use to follow specific procedures and outlines those procedures.

Don't reinvent the wheel in terms of planning processes (in fact, don't even turn it).

Don't be afraid!

Work with the municipal solicitor in a collaborative way.

Set realistic expectations – yes there are rules, but we can do cool stuff if we follow them!

Read the Code yourself, and then read it again.

# Zoning Hearing Board

---

STENOGRAPHER 50/50 SPLIT



# Section 908. Hearings

(1.1) The governing body may prescribe **reasonable fees** with respect to hearings before the zoning hearing board. Fees for said hearings may include compensation for the secretary and members of the zoning hearing board, notice and advertising costs and necessary administrative overhead connected with the hearing. The costs, however, shall not include legal expenses of the zoning hearing board, expenses for engineering, architectural or other technical consultants or expert witness costs.



The board or the hearing officer, as the case may be, **shall keep a stenographic record** of the proceedings. The appearance fee for a stenographer shall be shared equally by the applicant and the board. The cost of the original transcript shall be paid by the board if the transcript is ordered by the board or hearing officer or shall be paid by the person appealing from the decision of the board if such appeal is made, and in either event the cost of additional copies shall be paid by the person requesting such copy or copies. In other cases the party requesting the original transcript shall bear the cost thereof.







# Recreation Fees In Lieu

---

BUILD A PARK OR PAY A FEE

## Section 503. Content of Subdivision and Land Development Ordinance

Provisions requiring the public dedication of land suitable for the use intended; and, upon agreement with the applicant or developer, the construction of recreational facilities, the payment of fees in lieu thereof, the private reservation of the land, or a combination, for park or recreation purposes as a condition precedent to final plan approval...

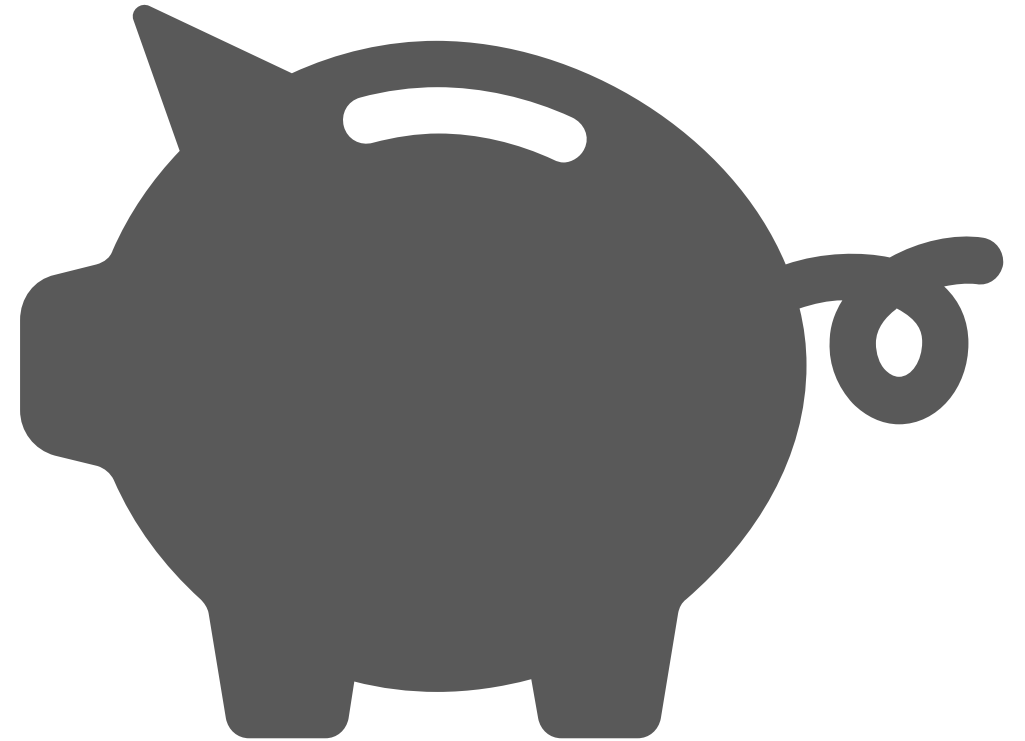




(iv) The governing body has a formally adopted recreation plan, and the park and recreational facilities are in accordance with definite principles and standards contained in the subdivision and land development ordinance.

(v) The amount and location of land to be dedicated or the fees to be paid shall bear a reasonable relationship to the use of the park and recreational facilities by future inhabitants of the development or subdivision.

A fee authorized under this subsection shall, upon its receipt by a municipality, be deposited in an interest-bearing account, clearly identified as reserved for providing, acquiring, operating or maintaining park or recreational facilities. Interest earned on such accounts shall become funds of that account.







Upon request of any person who paid any fee under this subsection, the municipality shall refund such fee, plus interest accumulated thereon from the date of payment, if the municipality had used the fee paid for a purpose other than the purposes set forth in this section



The land or fees, or combination thereof, are to be used only for the purpose of providing, acquiring, operating or maintaining park or recreational facilities reasonably accessible to the development.









# Transportation Impact Fees

---

FUNDING FUTURE INFRASTRUCTURE



# The Process

## Land Use Assumptions Report (LSA)

- *Describes existing land uses within designated TIF areas.*
- *Projects possible changes in land use regarding density, intensity, and population rates that could affect levels of traffic within the TIF areas.*

## Roadway Sufficiency Analysis (RSA)

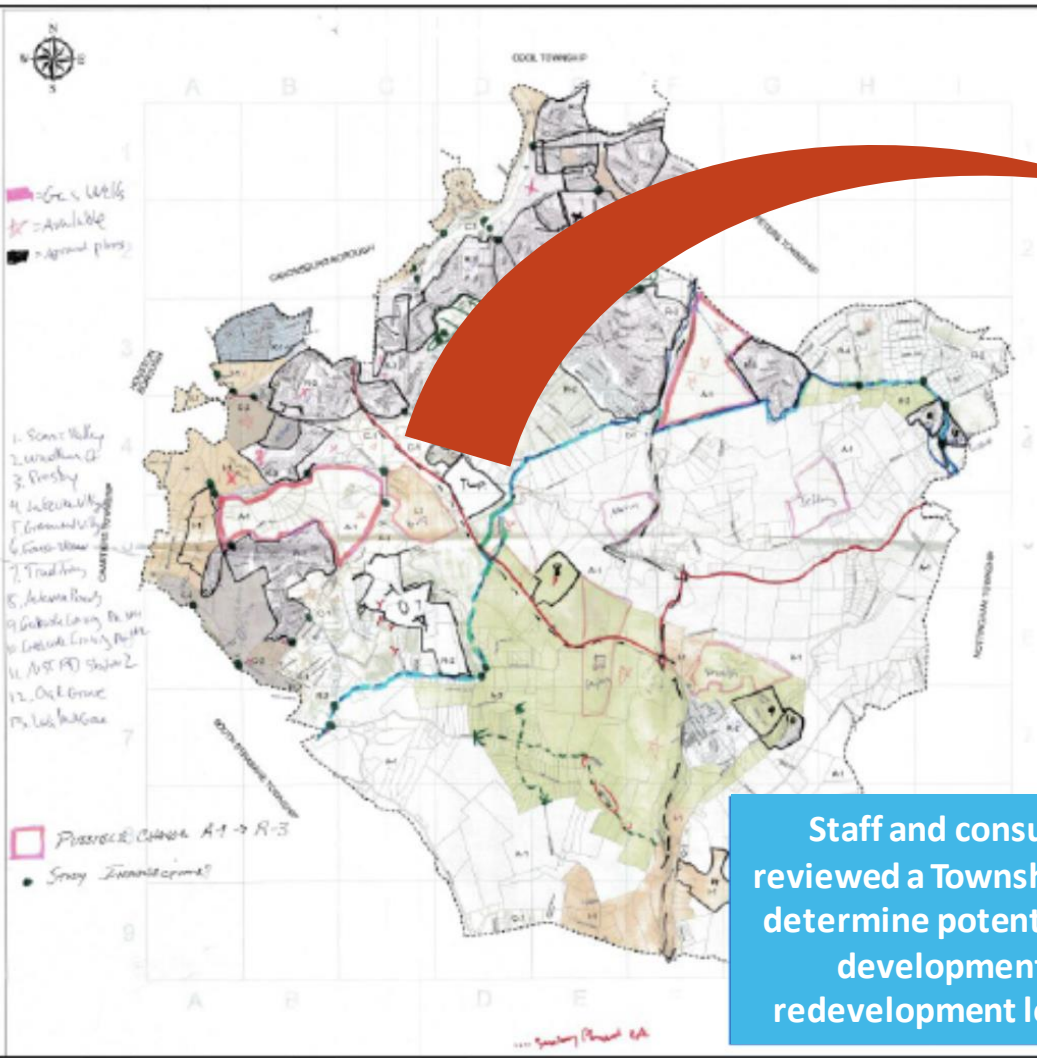
- *Determines the improvements that would be required to obtain a preferred level of service (LOS) for intersections and roadways impacted by future developments identified through the Land Use Assumptions Report.*

## Transportation Capital Improvements Plan (TCIP)

- *Determines the estimated project costs, schedule for completion, and potential funding sources. This also determines the amount of the impact fee that is to be adopted in the impact fee ordinance.*

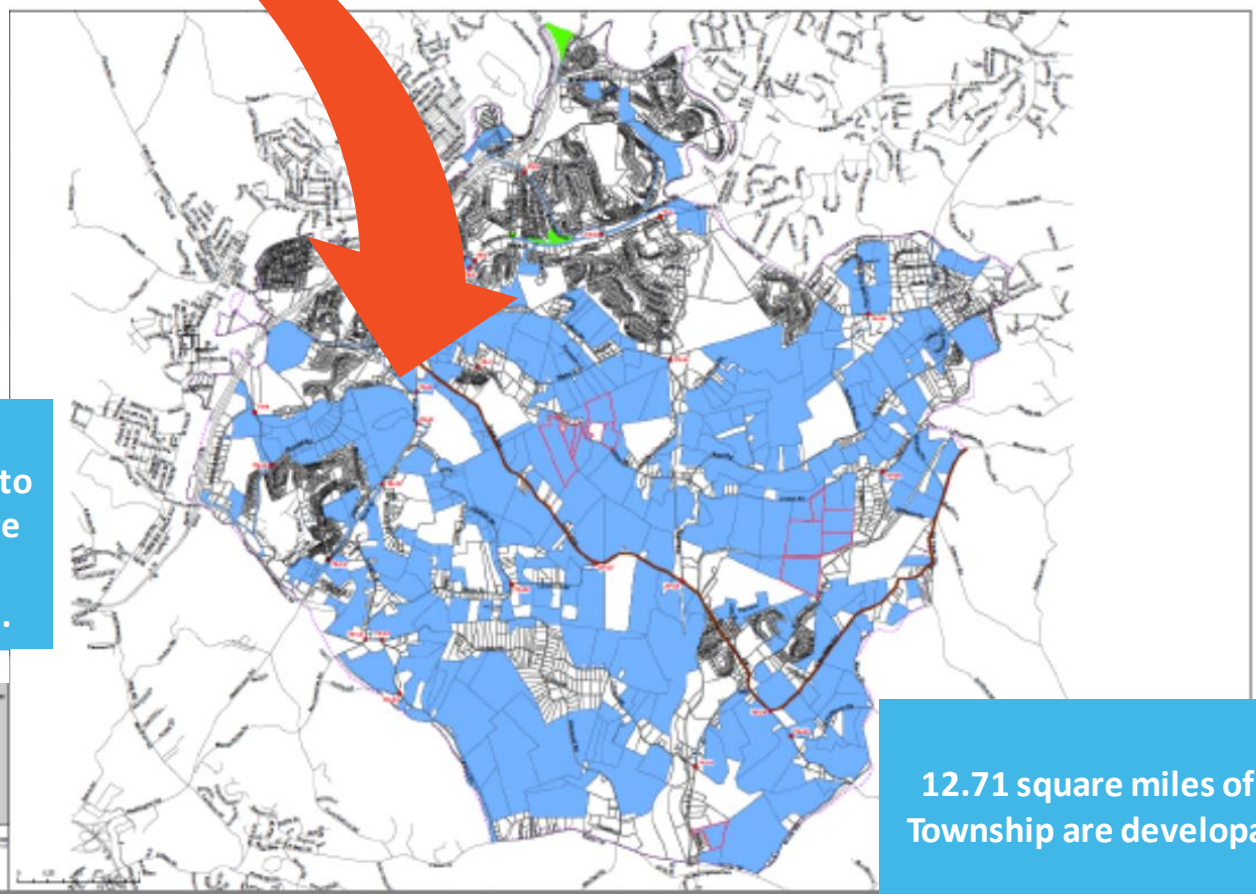
## Impact Fee Ordinance Adoption





Staff and consultants reviewed a Township map to determine potential future development and redevelopment locations.

Map 1 – Developable Lands Map

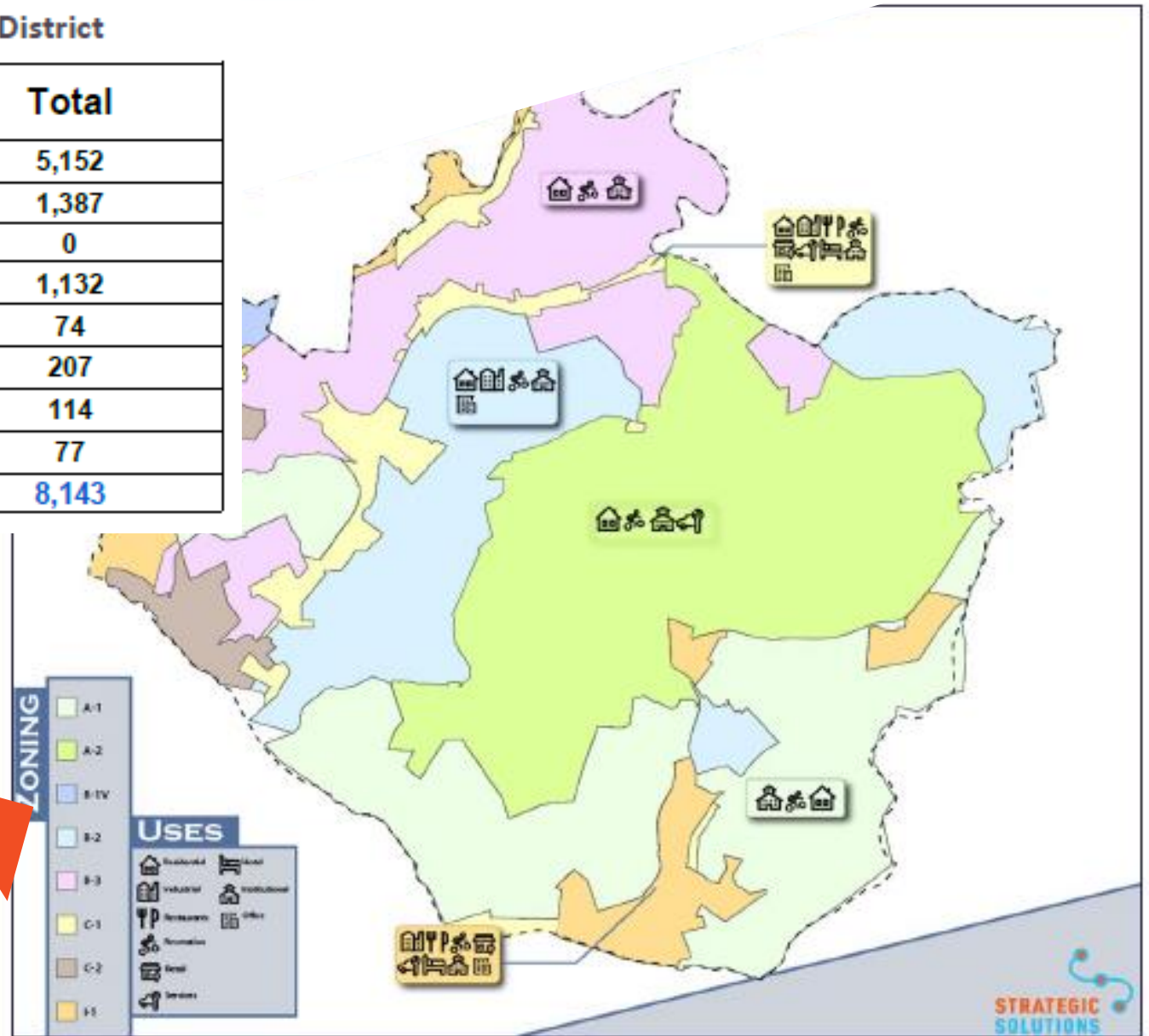
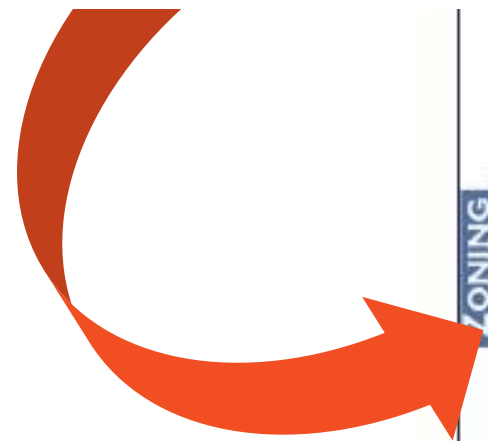


12.71 square miles of the Township are developable.



Table 5 – Gross Developable Acreage by Zoning District

Zoning District	North TSA Acreage	South TSA Acreage	Total
A-1	2,729	2,423	5,152
A-2	426	961	1,387
R-1-V	0	0	0
R-2	643	489	1,132
R-3	74	0	74
C-1	62	145	207
C-2	0	114	114
I-1	42	35	77
<b>TOTAL</b>	<b>3,976</b>	<b>4,167</b>	<b>8,143</b>



**Table 16 – Projected Development Summary**

Use Description	TOTAL	
Hotel	375,930.74	
Industrial	114,930.92	
Institutional	96,674.20	
Office	106,783.33	
Recreation	94,724.82	
Restaurant	69,180.29	
Retail	195,646.05	
Services	87,499.87	
<b>Non-Residential Subtotal</b>	<b>1,141,370.22</b>	
Residential		
<i>Multi-Family</i>	117,770.44	119
<i>Single-Family, Attached</i>	NA	84
<i>Single-Family, Detached</i>	NA	161
<b>TOTAL</b>	<b>1,259,140.66</b>	<b>364</b>

**NEW  
TRAFFIC  
GENERATED  
(TRIPS)**





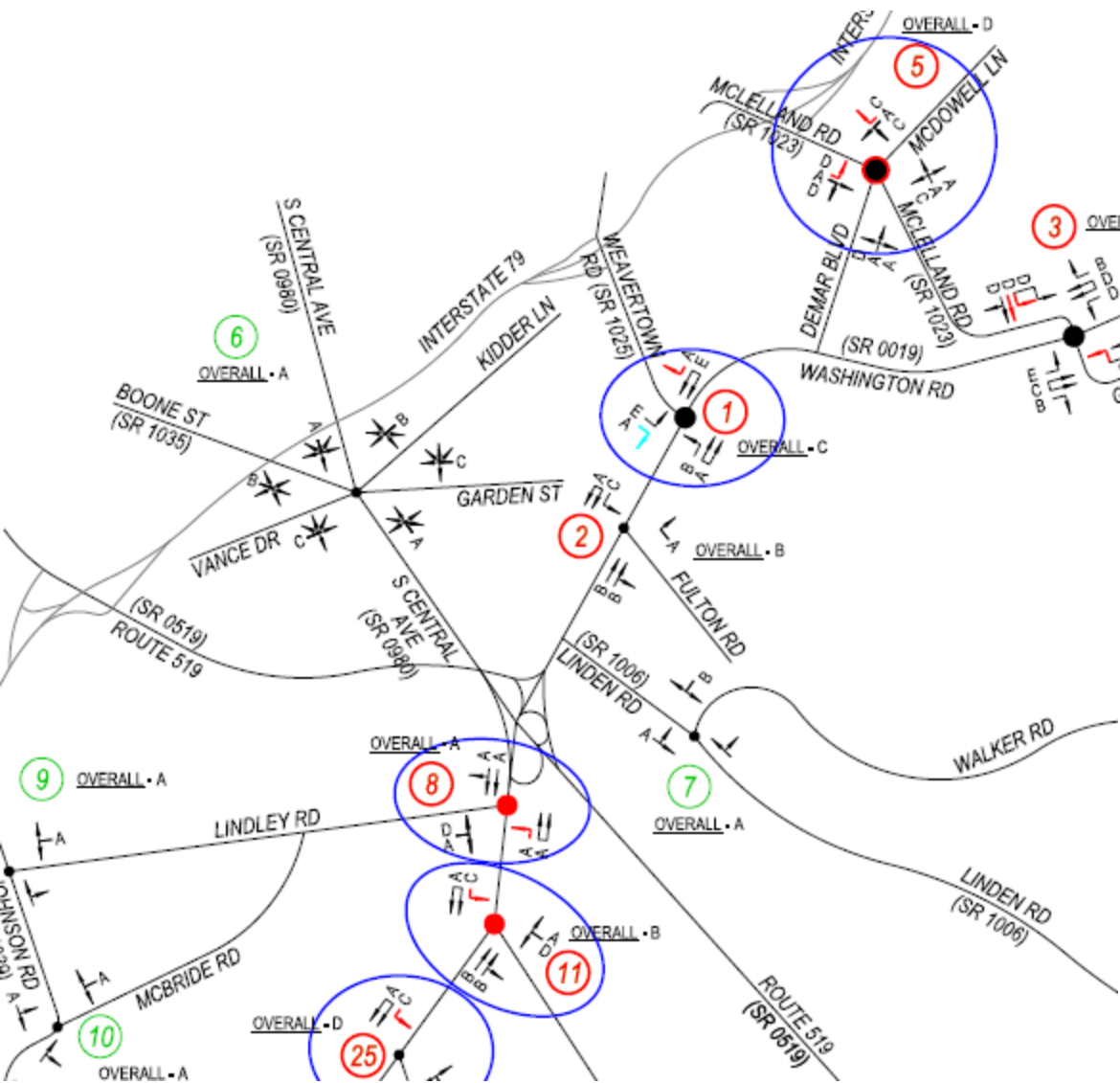
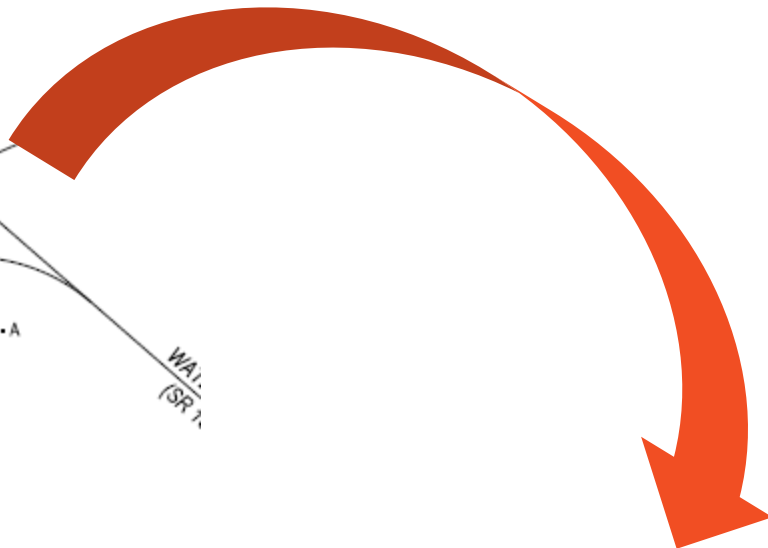
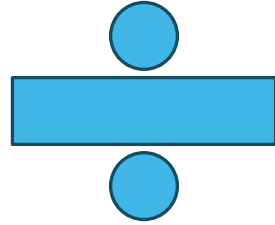


Table 3: Future Development Improvements Cost Estimate Summary – North TSA

Int #	Intersection	Future Improvement Description	Total Project Cost	Funding		Construction Completion
				PennDOT/Township/Other Costs	Impact Fees	
1	Washington Road (SR 0019) & Weavertown Road (SR 1025)	Install a southbound right turn lane.	\$1,669,800	\$834,900	\$834,900	2032
5	McClelland Road (SR 1023) & Demar Boulevard/ McDowell Lane	Install a southbound left turn lane on McClelland Road. Install a westbound right turn lane on McDowell Lane. Optimize traffic signal timing.	\$1,990,000	\$706,450	\$1,283,550	2032
<b>TOTALS</b>			<b>\$3,659,800</b>	<b>\$1,541,350</b>	<b>\$2,118,450</b>	



**CAPITAL  
IMPROVEMENTS  
PROGRAM**



**TOTAL # OF  
NEW TRIPS**



**TRANSPORTATION  
IMPACT FEE PER TRIP**

**NEW TRIPS  
GENERATED BY A  
NEW  
DEVELOPMENT**



**IMPACT FEE  
PER TRIP**



**TRANSPORTATION  
IMPACT FEE FOR NEW  
DEVELOPMENT**



## Section 503A. Grant of Power

(d) Impact fees may be used for those costs incurred for improvements designated in the transportation capital improvement program which are attributable to new development, including the acquisition of land and rights-of-way; engineering, legal and planning costs; and all other costs which are directly related to road improvements within the service area or areas, including debt service.

(d) Any impact fees collected by a municipality pursuant to a municipal ordinance shall be deposited by the municipality into an interest-bearing fund account designated solely for impact fees, clearly identifying the transportation service area from which the fee was received. Funds collected in one transportation service area must be accounted for and expended within that transportation service area, and such funds shall only be expended for that portion of the transportation capital improvements identified as being funded by impact fees under the transportation capital improvements plan.



(f) An applicant shall be entitled to a credit against the impact fee in the amount of the fair market value of any land dedicated by the applicant to the municipality for future right-of-way, realignment or widening of any existing roadways or for the value of any construction of road improvements contained in the transportation capital improvement program which is performed at the applicant's expense. The amount of such credit for any capital improvement constructed shall be the amount allocated in the capital improvement program, including contingency factors, for such work.







# Land Development Escrow

---

CHARGING FOR REVIEW FEES



# Review Fees (MPC Section 503(1))

Review fees may include reasonable and necessary charges by the municipality's professional consultants for review and report thereon to the municipality. Such review fees shall be based upon a schedule established by ordinance or resolution. Such review fees shall be reasonable and in accordance with the ordinary and customary charges for similar service in the community, but in no event shall the fees exceed the rate or cost charged by the professional consultant for comparable services to the municipality for services which are not reimbursed or otherwise imposed on applicants. Fees charged to the municipality relating to any appeal of a decision on an application shall not be considered review fees and may not be charged to an applicant

## For SALDO applications ONLY

The governing body shall submit to the applicant an itemized bill showing work performed, identifying the person performing the services and the time and date spent for each task. Nothing in this subparagraph shall prohibit interim itemized billing or municipal escrow or other security requirements.

In the event the applicant disputes the amount of any such review fees, the applicant shall, no later than 100 days after the date of transmittal of the bill to the applicant, notify the municipality and the municipality's professional consultant that such fees are disputed, and shall explain the basis of their objections to the fees charged, in which case the municipality shall not delay or disapprove a subdivision or land development application due to the applicant's dispute over fees. Failure of the applicant to dispute a bill within 100 days shall be a waiver of the applicant's right to arbitration of that bill under section 510 (g).

Subsequent to a decision on an application, the governing body shall submit to the applicant an itemized bill for review fees, specifically designated as a final bill. The final bill shall include all review fees incurred at least through the date of the decision on the application. If for any reason additional review is required subsequent to the decision, including inspections and other work to satisfy the conditions of the approval, the review fees shall be charged to the applicant as a supplement to the final bill.



# Financial Security

---

110%

# Financial Security (MPC Section 509)

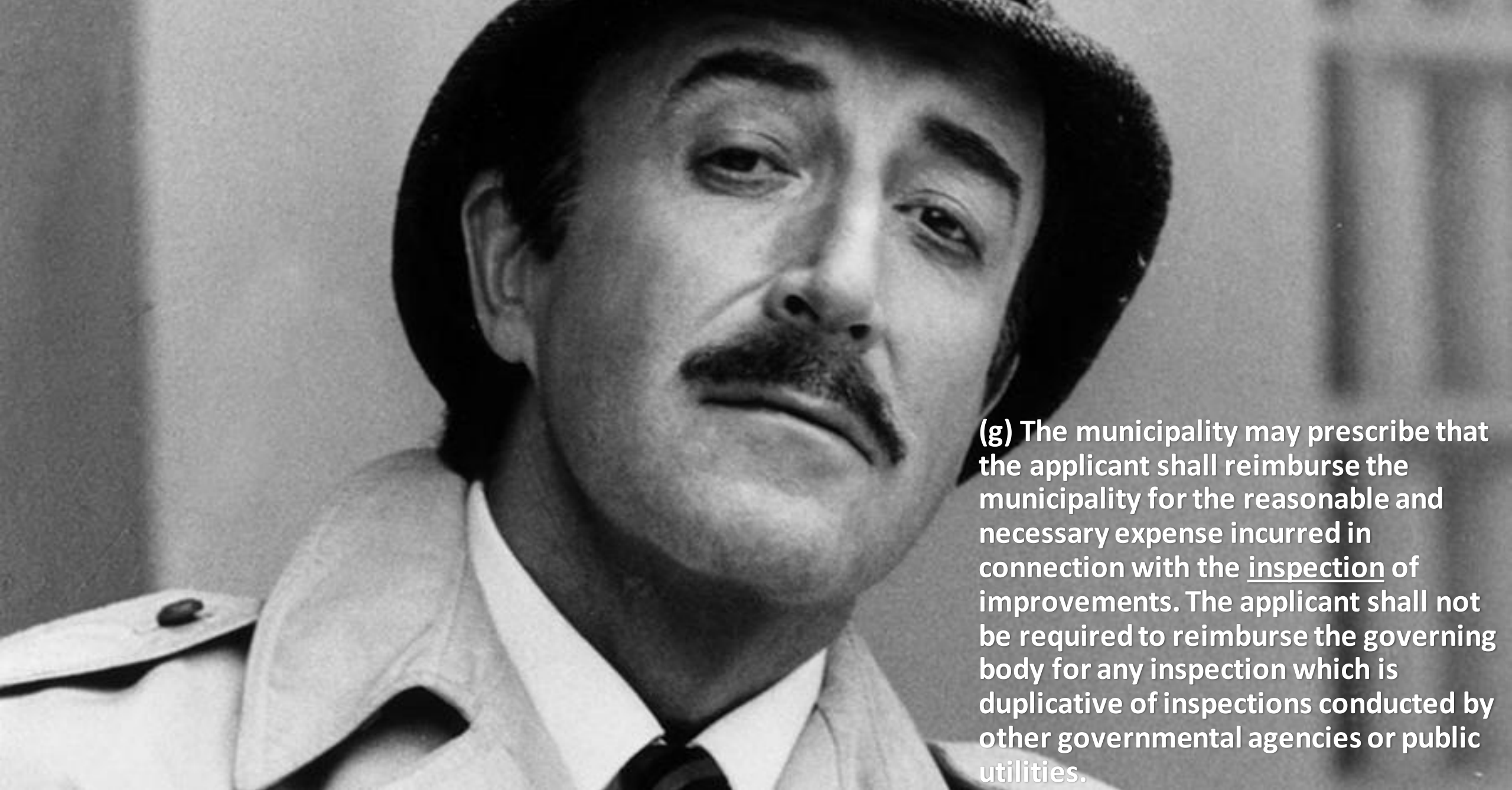
In lieu of the completion of any improvements required as a condition for the final approval of a plat, including improvements or fees required pursuant to section 509(I), the subdivision and land development ordinance shall provide for the deposit with the municipality of financial security in an amount sufficient to cover the costs of such improvements or common amenities including, but not limited to, roads, storm water detention and/or retention basins and other related drainage facilities, recreational facilities, open space improvements, or buffer or screen plantings which may be required.

engineer fairly representing the value of the improvements completed or, if the governing body fails to act within said 45-day period, the governing body shall be deemed to have approved the release of funds as requested. The governing body may, prior to [final] release at the time of completion and certification by its engineer, retain 10% of the [original amount of the posted financial security for the aforesaid] estimated cost of the remaining improvements.



(a) When the developer has completed all of the necessary and appropriate improvements, the developer shall notify the **municipal governing body**...and shall send a copy thereof to the **municipal engineer**. The **municipal governing body** shall, within ten days after receipt of such notice, direct and authorize the **municipal engineer** to inspect all of the aforesaid improvements. The **municipal engineer** shall, thereupon, file a report, in writing, with the **municipal governing body**;...said report shall be detailed and shall indicate approval or rejection of said improvements, either in whole or in part, and if said improvements, or any portion thereof, shall not be approved or shall be rejected by the **municipal engineer**, said report shall contain a statement of reasons for such non-approval or rejection.

(b) The **municipal governing body** shall notify the developer, within 15 days of receipt of the engineer's report, in writing by certified or registered mail of the action of said municipal governing body with relation thereto.



**(g) The municipality may prescribe that the applicant shall reimburse the municipality for the reasonable and necessary expense incurred in connection with the inspection of improvements. The applicant shall not be required to reimburse the governing body for any inspection which is duplicative of inspections conducted by other governmental agencies or public utilities.**







**John Trant**

**412-857-2151**

**[John@strategic-solutionsllc.com](mailto:John@strategic-solutionsllc.com)**

**Strategic-SolutionsLLC.com**

