

**Joint Hearing of the Senate Community,
Economic, and Recreational Development
Committee and the House Finance Committee on
House Bill 2340 and Senate Bill 1279**

**Testimony of
Safety Agriculture Villages Environment
(S.A.V.E.)**

**Regarding the Economic Development and Fiscal
Accountability Act, June 29, 2010**

My name is Linda Morrison and I am the Chairperson of the Public Policy Committee of Safety Agriculture Villages Environment (S.A.V.E.) **S.A.V.E.** is a non-profit community organization whose mission is to sustain the region's rural quality of life and community character through influencing infrastructure and land use planning that fosters conservation, environmental protection, and safety. In short, we fight the negative effects of suburban sprawl. We are based in Chester County, are celebrating our 12th year, have offices in Kennett Square, and employ a full time executive director. Our organization is nonpartisan, but we have both registered Republicans and Democrats on our Board of Directors. I have attached a copy of an informational postcard mailed to our supporters regarding S.A.V.E.'s activities.

Our group was initially formed to oppose a very expensive, new 4-lane expressway planned by PennDOT, along the 2-lane road Route 41, through the rural countryside in southwest Chester County. We recognize how state and local government policy and spending can alter the character of a community for better -- or for worse. S.A.V.E., backed by our community and working with our local legislators—both Democrat and Republican -- and the Governor, were successful in stopping the construction of this expressway, saving the Commonwealth from spending over \$250 million. We are now working with our legislative delegation and PennDOT to address sustainable and community friendly solutions to the safety and congestion issues along Route 41.

We enjoy substantial support from our community, because we believe that our actions reflect what both Republican and Democrat voters in our region want. To illustrate this point, I have attached two exhibits.

- Exhibit I is a spreadsheet of voter referenda in Chester County from the Trust for Public Land's Land Vote Database regarding the preservation of open space. So far, in over half the townships in Chester County, voters have gone to the polls to vote "yes" on the question: "Do you want to raise your local income or property tax rates to prevent development and preserve open space?" Almost all of these referenda pass, frequently by large margins – even during this recession. You can see that 61% of voters in Pennsbury Twp voted "yes" last November to raise their tax rates to preserve open space. *[Note that this is different from voting on a bond issue, where an individual's tax bill will not change]*
- Exhibit II-A and B shows data compiled by the Delaware Valley Regional Planning Commission on Local Funding (County and municipality) for open space preservation. Voters in southeast Pennsylvania have enthusiastically supported spending hundreds of millions of their tax dollars for this purpose in the last 10-15 years. From 1988 to 2009, 91% of all open space referendums issued in southeast Pennsylvania were approved.

How many other government policies would enjoy this much support from voters, if put to a public referendum? We want to make sure that these popular programs are not compromised by other types of government spending.

We testify today in support of the Economic Development and Fiscal Accountability Act because the Commonwealth's dozens of economic development programs and subsidies often are counter productive to other popular government programs and, therefore, wasteful of our hard-earned tax dollars.

The "left hand" of government should not cancel out what the "right hand" of government is doing.

- It makes no sense for our state government to spend hundreds of millions of our tax dollars to prevent the development of open space, while spending other tax dollars subsidizing the development of open space for corporate and industrial parks, shopping centers and individual retailers.
- It makes no sense for the government to spend tax dollars preserving land for our state's largest industry (agriculture), while

subsidizing the development of other farmland and destroying farms. After all, farmers are business people, too -- in overalls, instead of suits.

- It makes no sense for government to spend money revitalizing the main streets of older cities and boroughs, while subsidizing minimum wage jobs at big box shopping centers right outside of town, that destroy small businesses on main streets.
- It makes no sense for government to spend millions protecting the environment, while spending tax dollars subsidizing building on sensitive natural lands and polluting watersheds.
- It makes no sense for government to spend money preserving Pennsylvania's rich historical heritage, while subsidizing new development that often destroys these resources.
- It makes no sense for government to spend millions on unemployment benefits and job training, while subsidizing businesses in wealthier counties with relatively low unemployment rates, instead of spending in counties where unemployment is high.

We support the Act's strong accountability and transparency provisions. For the first time, voters will be able to see how much and where our tax dollars are being spent for business subsidies, and what benefit is expected from the expenditure. We strongly support a provision in the Act allowing prior knowledge, review and participation before subsidies are granted. This is just common sense and good government. Economic development expenditures should be held to the same standard as most other government programs.

- For most other areas of government activity and expenditure, there are strong procurement regulations that give the public prior knowledge of government expenditures to ensure that contracts to spend public dollars are fair, open and prudently written. Government agencies can enforce the terms of these contracts to make sure that taxpayers receive that for which they have paid, or get a refund from the contractor.
- For most other areas of government activity and expenditure, the new open records law is an important step in involving the public to expose waste and corruption. But you have to know what documents to ask for, and the existence of and the details of, most economic development expenditures are essentially undisclosed.

That's why it is so important to publish the details of all economic development subsidies, from the dozens of separate different agency programs, in one place, on the web, organized by the address of where the subsidy was used. In the past few years, state agencies have begun this disclosure, but much more needs to be done.

- For most other areas of government activity and expenditure, public participation rules exist to ensure that the proposed spending is supported by the community, and does not counteract government spending on other programs. An important reason why S.A.V.E. was effective in the Route 41 issue described above, was because PennDOT is subject to strong public participation processes when proposing transportation projects to determine if there is in fact a need, and if it is supported by area voters. We want to call your attention to the provision that is in the House Bill that would ensure that county and local planners sign off *before* final decisions are made on subsidies—and allow for hearings if those planners won't sign off. Somebody who knows about land use and smart growth should have a chance to consider the wisdom of subsidies before any deal is finalized. This very simple and modest step begins to put into practice the widely accepted idea that government economic development, land use, infrastructure funding, and transportation programs should not be made separately. It's simply not enough to say that economic development and planners should talk to one other. Planners have to have the ability to have a meaningful voice to object to subsidy deals that make no sense from a land use perspective.

Presently, it is almost impossible to determine the extent of business subsidies in a particular locality – how much money was spent, where, and for what. There is rarely any information in advance of proposed subsidies, preventing any local, community input.

In this time of budget challenges, it is even more important that the Commonwealth eliminate any spending that wastes precious and hard-earned tax dollars on programs that voters may not support. Provisions in the proposed bills would be a major step in that direction. Thank you for the opportunity to testify.

S.A.V.E. – EFFECTIVE ACTION AND REAL RESULTS PRESERVING OUR QUALITY OF LIFE



After convincing PennDOT that a new 4-lane expressway along Route 41 would fuel sprawl, S.A.V.E.'s experts designed an online alternative with roundabouts and traffic calming that enjoys widespread support. Implementation of the first roundabout awaits the final go-ahead from PennDOT and a full corridor plan is expected to be brought back to the public this Fall.



S.A.V.E. continues to provide technical assistance to individuals, communities, municipalities, and organizations, including the newly formed Marshallton Conservation Trust, a group of citizens working to calm traffic through the historic village and restore a pedestrian friendly community character.



SAVE's expertise was employed investigating possible zoning violations and illegal clear cutting of trees by the developer of a medical-hotel complex in New Garden Township, in order to help citizens enforce anti-sprawl planning in Chester County, pointing out permitting violations and inconsistencies of this project with Chester County's Landscapes plan and New Garden Township's own comprehensive plan.



S.A.V.E. was a major ally of the local community in the 3-year, successful fight to prevent a Wawa Super Store from destroying the future of historic Guthriesville in East Brandywine Township.



The rehabilitation of the historic Mortonville bridge across the Brandywine in East Fallowfield began in March, avoiding an alternate fate of demolition-by-neglect and replacement by a mega new modern bridge, thanks to the expert efforts and advocacy of S.A.V.E. Efforts continue to partner with PennDOT to effect changes in policy regarding historic bridges.



S.A.V.E. is a leader in the fight to prevent unrestricted gas pipeline expansion that threatens conserved land, farmland, natural and historic resources, and the safety of our citizens.

Spring 2009 • No. 4

S.A.V.E.

SNAPSHOT



SAFETY, AGRICULTURE, VILLAGES and ENVIRONMENT, INC.

www.save41.org • 610-925-0041

When Chester County Controller Val diGiorgio advocated ending open space funding last Fall, S.A.V.E. organized a citizen's appeal to the Commissioners that saved full funding for the County's Open Space budget in 2009.

S.A.V.E.'s advocates recognize the long term value in resource preservation outweighs short term expenditures.



In celebration of eleven years of achievement,
you are cordially invited to the Annual Meeting of

S.A.V.E.

Thursday April 29, 2009

at the Stroud Water Research Center Meeting House

970 Spencer Road, Avondale, PA 19311

7:00 p.m. Coffee & Dessert Reception

7:30 p.m. Brief Program & Guest Speaker:

Pennsylvania Secretary of Transportation

Allen D. Biehler, P.E.

As Secretary of Pennsylvania's Department of Transportation, Allen Biehler leads an organization of nearly 12,000 people with an annual budget in excess of \$5 billion. PENNDOT operates the nation's fifth largest state-owned highway system and administers one of the nation's largest grant programs for mass transit, rail freight, and aviation. In addition, Secretary Biehler is the current President of the American Association of State Highway and Transportation Officials (AASHTO), the Washington, D.C.-based organization that represents the departments of transportation in the 50 states, the District of Columbia and Puerto Rico.

Under Secretary Biehler's leadership, PennDOT has instituted a commitment to ensuring that projects are appropriate for the surrounding community and fit-known resources, an initiative known as Smart Transportation. PennDOT is also taking advantage of technology to deliver appropriate levels of service at the lowest cost and focusing available resources to system preservation.

A professional engineer, Mr. Biehler is a University of Pittsburgh graduate with a degree in civil engineering, and holds a master's equivalent certificate in transportation from Yale University. His career covers more than 35 years in transportation engineering, planning, construction administration, and public transportation management. Mr. Biehler has served on various AASHTO committees, the Transportation Research Board, the American Public Transportation Association, and the board of the University of Pittsburgh.



S.A.V.E. combined its expertise with other area advocates concerned about the proposed Route 23 bypass to be built through prime Lancaster County farm land, leading in 2008 to the delayed release of the Draft Environmental Impact Statement (DEIS) until sustainable alternatives could be fully integrated into the DEIS documents. The DEIS is now expected to be brought back to the public for comment late in 2009.

Many thanks to those of you who supported S.A.V.E.'s efforts in 2008! S.A.V.E. takes action and gets results, working hard and smart to make your contributions go a long way. We count on community support to enable S.A.V.E. to undertake its unique role in protecting our region. Please, send your tax deductible contribution today or contribute online at www.save41.org.



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S.A.V.E. is proud to be at the forefront influencing and instituting sustainable infrastructure and land use planning which honor community goals of conservation, environmental protection, and the preservation of community character and quality of life.

S.A.V.E.

101 East Street Road

Kennett Square, PA 19348

610-925-0041 • www.save41.org

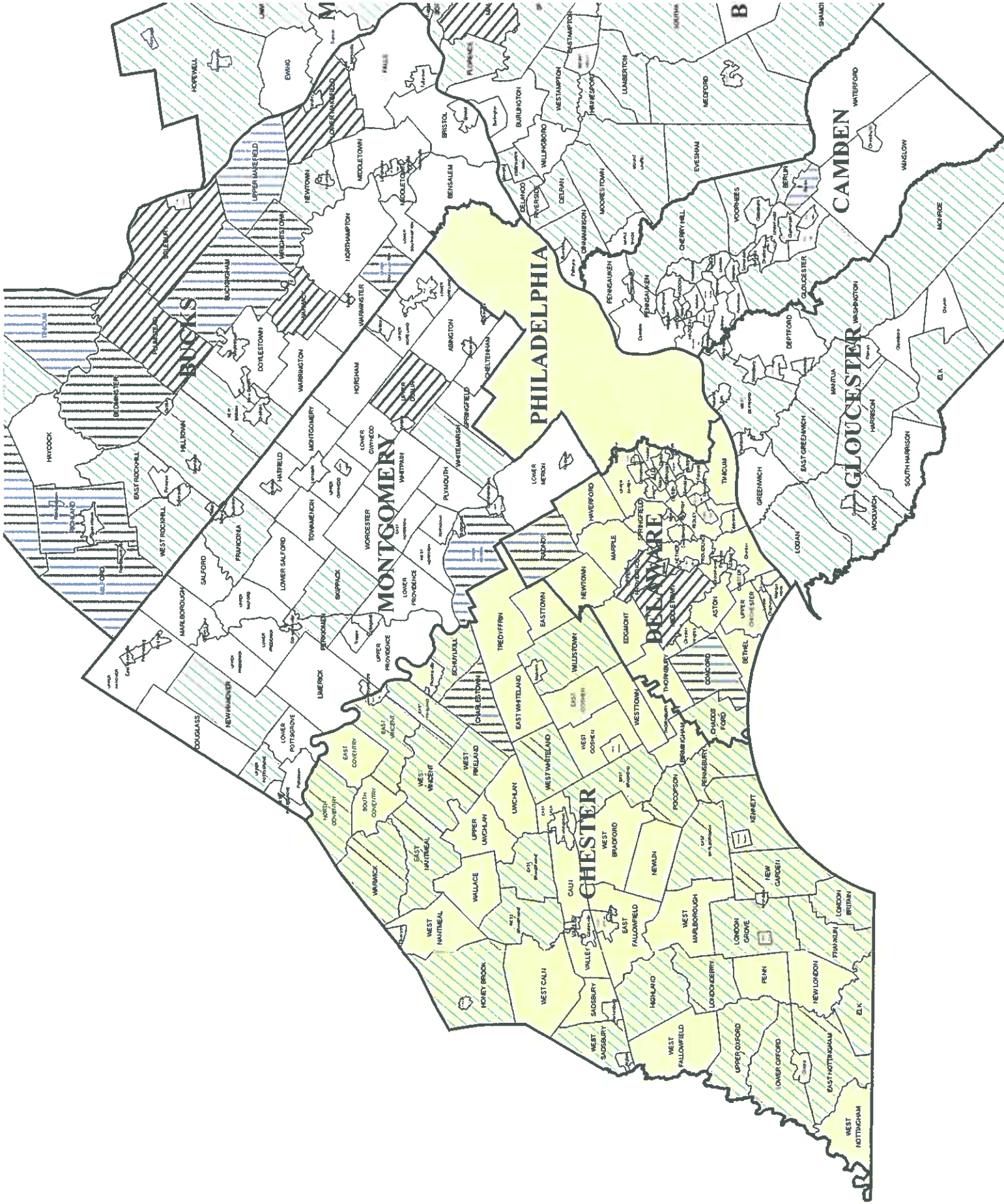
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Jurisdiction Name **Date** **Description** **Finance Mech** **Total Funds at Stake** **Status** % **Yes** **Notes**

Referenda that failed (in red); and then later passed (in green).

Pennsbury Township	11/3/2009	.34 mill property tax increase for open space	Property tax	\$5,000,000	Pass	61.60%	Chester Co
Charlestown Township	4/22/2008	.5 percent earned income tax increase for op	Income tax	\$20,000,000	Pass	76.84%	Chester Co
West Pikeland Township	11/6/2007	.25 percent earned income tax increase for c	Income tax	\$11,000,000	Pass	61.33%	Chester Co
Schuylkill Township	11/7/2006	.25 percent earned income tax increase for th	Income tax	\$18,000,000	Pass	63.58%	Chester Co
East Pikeland Township	11/7/2006	.25 percent earned income tax increase for th	Income tax	\$5,000,000	Pass	64.99%	Chester Co
Elk Township	11/7/2006	.5 percent earned income tax increase for the	Income tax	\$2,500,000	Pass	65.24%	Chester Co
Pocopson Township	5/16/2006	1 mill property tax increase for the purchase	Property tax	\$5,500,000	Pass	63.64%	Chester Co
London Grove Township	5/16/2006	.25 of one percent earned income tax increas	Income tax	\$5,500,000	Pass	51.44%	Chester Co
West Vincent Township	5/16/2006	1 to 1.25% earned income tax increase for th	Income tax	\$3,700,000	Pass	70.50%	Chester Co
East Vincent Township	5/16/2006	.2 percent earned income tax increase for op	Income tax	\$4,000,000	Pass	55.45%	Chester Co
Schuylkill Township	11/8/2005	Bond for the purchase of open space and oth	Bond	\$20,000,000	Fail	41.79%	Chester Co
Wallace Township	11/8/2005	.25% earned income tax increase to preserv	Income tax	\$5,026,860	Fail	36.96%	Chester Co
Honey Brook Township	11/8/2005	.5% earned income tax increase for the purch	Income tax	\$10,000,000	Pass	51.19%	Chester Co
Kennett Township	5/17/2005	One quarter of one percent earned income t	Income tax	\$14,000,000	Pass	75.87%	Chester Co
East Nottingham Township	11/2/2004	.5% earned income tax increase for the open	Income tax	\$8,800,000	Pass	50.23%	Chester Co
Highland Township	11/2/2004	.5% earned income tax increase to purchase	Income tax	\$2,000,000	Pass	61.99%	Chester Co
East Nantmeal Township	11/4/2003	.25% earned income tax increase for open s	Income tax	\$2,000,000	Pass	57.50%	Chester Co
East Nottingham Township	11/4/2003	.5% earned income tax increase for open sp	Income tax	\$9,260,700	Fail	40.93%	Chester Co
Londonberry Township	11/4/2003	.25% earned income tax increase for open s	Income tax	\$1,340,000	Pass	63.45%	Chester Co
London Grove Township	11/4/2003	.25% earned income tax increase for open s	Income tax	\$5,295,000	Fail	49.11%	Chester Co
Lower Oxford Township	11/4/2003	.5% earned income tax increase for open s	Income tax	\$6,000,000	Pass	60.63%	Chester Co
Upper Oxford Township	11/4/2003	.5 percent earned income tax increase for op	Income tax	\$3,423,020	Pass	53.56%	Chester Co
West Brandywine Townsh	11/4/2003	.125% earned income tax increase for open	Income tax	\$4,000,000	Pass	53.56%	Chester Co
West Sadsbury	11/4/2003	.2% earned income tax increase for open s	Income tax	\$1,420,000	Pass	52.65%	Chester Co
Warwick Township	5/20/2003	.25% earned income tax increase for open s	Income tax	\$1,700,000	Pass	56.29%	Chester Co
Franklin Township	11/5/2002	.5 mill property tax for open space, conservat	Property tax	\$2,400,000	Pass	70.07%	Chester co
East Brandywine Township	11/5/2002	1/8% earned income tax increase for open s	Income tax	\$3,500,000	Pass	73.80%	Chester Co
North Coventry Township	5/21/2002	.25% earned income tax increase for open s	Income tax	\$8,000,000	Pass	76.66%	Chester Co
East Vincent Township	5/21/2002	.1325% earned income tax increase to fund	Income tax	\$13,600,000	Pass	79.93%	Chester Co
West Vincent Township	5/21/2002	Tax increase of .00049 mill per \$100 of asse	Property tax	\$2,900,000	Pass	62.69%	Chester Co
London Britain Township	11/7/2000	Property tax increase for open space acquisi	Property tax	\$720,000	Pass	63.21%	Chester Co
East Bradford Township	11/7/2000	0.0025%, earned income tax increase for pui	Income tax	\$6,000,000	Pass	65.43%	Chester Co
Willistown Township	11/2/1999	Income tax increase to fund open space acq	Income tax	\$5,000,000	Fail	49.89%	Chester Co
West Vincent Township	11/2/1999	Open Space Referendum, .00056 property t	Property tax		Fail	39.59%	Chester Co
East Marlborough Townst	11/2/1999	.0002 mill property tax increase for open spa	Property tax	\$1,900,000	Pass	69.37%	Chester Co
East Bradford Township	11/3/1998	0.00125% income tax increase for conservat	Income tax	\$14,000,000	Pass	68.38%	Chester Co
East Goshen Township	11/5/1996	Bond to acquire open space	Bond	\$3,000,000	Pass	71.55%	Chester Co
Chester County	11/7/1989	Bond for open space and farmland preservat	Bond	\$50,000,000	Pass	80.07%	



1ds dedicated for shown.