

POTTSTOWN CITIZENS FOR Enlightened LEADERSHIP

Pottstown needs Hill's help

The biggest economic story of our era is the increasing disparity of incomes among Americans.

Amazingly, the most affluent 20 percent of Americans control 85 percent of the nation's wealth (see chart below).

The next 40 percent of Americans control 14.8 percent of the nation's wealth. The bottom 40 percent control just 0.2 percent of the nation's wealth.

All but a handful of Pottstown residents fall into the last category — the bottom 40 percent.

The decades following World War II saw the rise of the American middle class, which included most Pottstown residents. By the early 1970s, when I moved here, anyone willing to work could find a good-paying job at Bethlehem Steel or Firestone, buy a nice house, and have money left over for an annual vacation.

But middle class incomes have stagnated for the last 35 years while those in the top tiers have seen their incomes soar.

Most of Pottstown's manufacturing jobs are gone, poverty has increased, and many people with good educations and resources have left our town for the suburbs.

The notable exception is the Hill School. The Hill School remains an island of wealth and influence in the midst of a struggling town.

Its 100-acre-plus campus is the largest and most valuable property in the borough.

Earlier this year, the school published a campus master plan call-

ing for more than \$75 million in renovations and new construction.

The school serves a mostly affluent population. About 60 percent of its 515 students' families pay full tuition of \$36,900 (\$53,500 for boarders).

The school is owned and operated by its alumni. It receives millions of dollars in donations annually from its constituency of alumni, parents and friends, who have built its \$153 million endowment.

Because the Hill School is recognized by the Commonwealth as a

charity, it pays no real estate taxes on its main campus.

Otherwise, the Hill School would have the largest tax bill in Pottstown, about \$2.2 million annually.

Instead, Pottstown's property owners are essentially shouldering that tax burden.

Meanwhile, the Pottstown School District, which levies the 12th highest taxes in Pennsylvania, serves a population which is about 65 percent low income.

The total assessed valuation of Pottstown's real estate has actually declined during the last 15 years.

A substantial number of Pottstown's home sales are "distressed" — either foreclosures or short sales.

If Pottstown sinks, we all sink — and the Hill School can help prevent that from happening.

(Tomorrow: past efforts).

Tom Hylton is a member of the Pottstown School Board. However, the views expressed are his alone and not the board's.



Commentary by
Tom Hylton

