



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 2216

PRINTER'S NO. 3498

PRIME SPONSOR: Briggs

### COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	See Fiscal Impact
Fish Fund	\$0	See Fiscal Impact
Farm Operations Restricted Account	\$0	See Fiscal Impact

**SUMMARY:** House Bill 2216 provides for seventeen easements and/or conveyances, removal of use restrictions, and repeals.

**ANALYSIS:** The bill includes:

- **Section 1:** Authorizes release of restrictions with respect to limited areas of Valley Forge National Park to enable the United States National Park Service to grant PennDOT right of way and easements for an upcoming highway project;
- **Section 2:** Authorizes the Pennsylvania Historical and Museum Commission to convey land in 47th Ward of the City of Philadelphia to New Freedom Theater, Inc for \$1 to be deposited into the General Fund;
- **Section 3:** Authorizes the release of two parcels of land by the Pennsylvania Fish and Boat Commission from Project 70 restrictions in Overfield Township, Wyoming County.
- **Section 4:** Authorizes the Department of Conservation and Natural Resources to convey right-of-way easement to the City of Philadelphia in exchange for improvements to Benjamin Rush State Park to be used for tract of land to be added to French Creek State Park;
- **Section 5:** Authorizes the Department of Conservation and Natural Resources to transfer administrative jurisdiction to Department of Transportation related to a number of highway projects.
- **Section 6:** Authorizes the Department of General Services (DGS) to convey to Joshua R. Snyder track of land in Windsor Township, Berks County;
- **Section 7:** Authorizes the Department of General Services (DGS) to convey to Carelink Community Support Services of PA lands of the former Haverford State Hospital, in Haverford Township;
- **Section 8:** Authorizes the Department of General Services (DGS) to convey to The Roland Curtin Foundation for the Preservation of Eagle Furnace land and buildings part of Curtin Village in Boggs Township, Centre County;
- **Section 9:** Authorizes the Department of General Services (DGS) to convey to Franklin Township in Greene County certain lands and buildings for fair market value to be deposited into the General Fund;
- **Section 10:** Authorizes the Department of General Services (DGS) to convey to the Oil Region Alliance of Business, Industry, and Tourism certain lands and improvements thereon in Oil City being a portion of the Venango Campus of Pennsylvania Western University (Clarion) for the sum of \$1;

- **Section 11:** Authorizes the Department of General Services (DGS) and the Pennsylvania State System of Higher Education to convey to the Oil Region Alliance of Business, Industry, and Tourism certain land and buildings in Oil City being the remaining portion of the Venango Campus of Pennsylvania Western University (Clarion University);
- **Section 12:** Authorizes the Department of General Services (DGS) to grant and convey to The Bear Creek Township Volunteer Hose Company an access easement and two storm water easements from land in Bear Creek Township, Luzerne County;
- **Section 13:** Authorizes the Department of General Services (DGS) to release and replace a portion of a use restriction and associated reversionary interest affecting certain real property previously conveyed to Harrisburg School District for the sum of \$1;
- **Section 14:** Authorizes the release of land by the Department of Transportation from Project 70 restrictions in Springfield Township, York County, known as Fayfield Park;
- **Section 15:** Authorizes the Department of General Services (DGS) to grant and convey a permanent easement of the grounds of the Western Pennsylvania Psychiatric Institute, to the University of Pittsburgh in the City of Pittsburgh, Allegheny County;
- **Section 16:** Authorizes the Pennsylvania Historical and Museum Commission to grant and convey to New Freedom Theater land and improvements situated in the 47<sup>th</sup> Ward of the City of Philadelphia for the sum of \$1, to be deposited into the General Fund; and
- **Section 17:** Authorizes the State Armory Board to enter into agreements for the right of occupancy, with the U.S. Army Reserve for the following properties: Johnstown Walters Ave. Readiness Center and Building #228 in Johnstown, Pennsylvania.

#### **FISCAL IMPACT:**

The enactment of this legislation will have a fiscal impact on commonwealth funds. Information related to the sections listed below was obtained from the House of Representatives Rule 32 Memorandum, required to be submitted by Department of General Services in cases of land conveyance.

- **Section 1:** The property was originally conveyed to the National Park Service (NPS) by DGS with the approval of the Governor, the Department of Environmental Protection (DEP), and Pennsylvania Historical & Museum Commission (PHMC). This 1982 deed included a reversion clause which states that when NPS stops using the subject property for recreational and historical purposes, the title and possession will immediately revert and revest back to the commonwealth. For Pennsylvania Department of Transportation (PennDOT) to begin a highway project on this subject property, NPS requires DGS to release this restriction with respect to the areas required by PennDOT so that NPS does not lose ownership of the entire 2,675-acre property;
- **Section 2:** The property was originally conveyed to the commonwealth (acting through PHMC) by New Freedom Theatre so that DGS could effectuate a legislatively funded Public Improvement Project (PIP) project at the Theatre. There is language within the original conveyance documents that obligates the commonwealth, through PHMC, to attempt to convey the property back to New Freedom Theatre for \$1 when the bond funding for the aforementioned PIP project is fully satisfied. The bonds are now fully satisfied. PHMC did not expend commonwealth funds to obtain an appraisal since the language in the contact documents indicate the property is to be conveyed back to New Freedom Theatre for \$1 with the proceeds to be deposited into the General Fund;
- **Section 3:** PFBC charged a \$2,400 user fee and entered into an agreement with Sterling Realty, Inc. to authorize use of the pavilion area until the +/- 0.1-acre parcel is transferred to Sterling Realty, Inc. This agreement will remain active until closing occurs. An additional \$2,600 will be provided to PFBC at closing with all proceeds to be deposited into a restricted revenue account within the Fish Fund;
- **Section 4:** The City of Philadelphia, with assistance provided by Brandywine Byberry, LP, or its successors and assigns, will contribute \$203,500 toward the acquisition of approximately 12.016-acres replacement property at the French Creek State Park in Union Township, Berks County;

- **Section 5:** Costs associated with these transfers are expected to be absorbed within DCNR and PennDOT;
- **Section 6:** An appraisal, dated October 25, 2022, was performed on the subject property and market value was determined to be \$63,000.00. The property will be conveyed at that fair market price. Proceeds are to be deposited into the Department of Agriculture’s Farm Operations Restricted Account;
- **Section 7:** The property was appraised at \$3,000,000 and conveyed for \$300,000 as the grantee provides necessary community services;
- **Section 8:** The PHMC requested that this historical property be sold to the Roland Curtin Foundation for the Preservation of Eagle Furnace for \$1.00 as the property is of historical importance and this local, non-profit foundation will adhere to a historical covenant and maintain the property accordingly;
- **Section 9:** The property was appraised by Owen Appraisal Service, LLC. It was determined that fair market value for this property is \$20,000 to be deposited into the General Fund;
- **Section 10:** PASSHE requested a conveyance for the sum of \$1.00 to alleviate both the near term and long-term carrying costs of the site PennWest was incurring amounting to approximately \$1.3 million in annual savings, as well as foregoing more than \$6 million in projected future capital expenses;
- **Section 11:** PASSHE requested a conveyance for the sum of \$1.00 to alleviate both the near term and long-term carrying costs of the site PennWest was incurring amounting to approximately \$1.3 million in annual savings, as well as foregoing more than \$6 million in projected future capital expenses.
- **Section 12:** The Bear Creek Township Volunteer Hose Company paid the market value of \$61,000 via the conveyance of the property authorized under Act 100 of 2022;
- **Section 13:** There is no cost to, or funds being received by, the commonwealth for the replacement of this restriction;
- **Section 14:** There is no cost to, or funds being received by, the commonwealth for the replacement of this restriction;
- **Section 15:** The conveyance of the permanent easement of the Western Pennsylvania Psychiatric Institute would have no fiscal impact on Commonwealth funds;
- **Section 16:** The conveyance of land and improvements in the 47<sup>th</sup> Ward of the City of Philadelphia, to the New Freedom Theater, Inc. would generate \$1 to be deposited into the General Fund; and
- **Section 17:** There is no cost to, or funds being received by, the commonwealth for the authority to enter into agreements with the U.S. Army Reserve.

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 House Appropriations Committee (D)

**DATE:** July 11, 2024

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*