



Public-Private Partnership Board Approves Projects to Establish Wetland Mitigation Bank, Pursue Development Around Train Stations

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Harrisburg, PA – Pennsylvania's Public-Private Partnership (P3) Board today approved two projects – one that will establish a wetland mitigation bank to offset environmental impacts from construction or development projects, and another to pursue transit oriented development (TOD) at one or more stations along Amtrak's Keystone Corridor from Harrisburg to Philadelphia.

The board also approved the 2016-17 Annual Report from the Pennsylvania Department of Transportation (PennDOT) P3 Office, which provides updates on active P3 projects.

"We're putting public-private partnerships to work in ways that improve our services and efficiency while also improving communities," PennDOT Secretary and P3 Board Chair Leslie S. Richards said. "Improvements are happening across the state because of our P3 program and I encourage the public to review the report to see how we're working for them."

Through the proposed wetland mitigation bank, a PennDOT-owned, 140-acre site in Chalfont, Bucks County, would be developed so PennDOT and private developers can meet federal environmental requirements by applying for credits to offset environmental impacts on projects. A private entity would be selected to operate, finance and maintain the site, streamlining the environmental review process as well as project timelines compared to establishing separate sites for each applicable project.

Once established, the department anticipates it would use up to half of the credits provided through the wetland bank for projects in its King of Prussia- and Allentown-based engineering districts. The remaining credits would be periodically released by the private partner, generating revenue from private-sector developers needing to offset environmental impacts.

Following the board's approval, the department estimates an approximately two-year project timeline: advertise a request for qualifications in December; select shortlisted firms to proceed to request for proposals stage in March 2018; issue a request for proposals in May 2018 and select a preferred proposer in August 2018. In taking a phased approach to site development, the short-term goal would be to have portions of the site ready to provide wetland credits in two to three years from proposer selection.

The project concept was submitted by Magnolia Land Partners LLC for consideration during the unsolicited proposal period in October 2016. PennDOT accepts unsolicited proposals for transportation projects in April and October each year.

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The other project approved by the board seeks to build on the TOD P3 project already being administered for the Middletown train station. The department will seek interested proposers to develop and connect the areas around one or more stations including Harrisburg, Elizabethtown, Mount Joy, Lancaster, Parkesburg and Downingtown. These TOD opportunities may include one or more of the following: soliciting a private partner to provide operation and maintenance services, allowing a private partner to provide parking upgrades either through surface lot expansion or with the construction of parking garages, and if deemed feasible, the ability to provide both residential or commercial development.

The project will complement the investments PennDOT is making in these stations to improve accessibility and connectivity to the communities they serve.

Following the board's approval, the department will develop a project schedule that considers conducting a review of market soundness to determine whether to proceed on an individual station basis or whether to bundle more than one station into a P3 agreement. The schedule will be shared with the P3 Board prior to administering the project.

The Public-Private Transportation Partnerships Act was signed into law in September 2012 and authorized P3 projects in Pennsylvania. This law allows PennDOT and other transportation authorities and commissions to partner with private companies to participate in delivering, maintaining and financing transportation-related projects.

As part of the P3 law, the seven-member Public Private Transportation Partnership Board was appointed to examine and approve potential public-private transportation projects. If the board determines a state operation or project would be more cost-effectively administered or delivered by a private company, the department or appropriate transportation agency can advertise a competitive RFP and enter a contract with a company to completely or partially deliver the transportation-related service or project.

To view the 2016-17 Annual Report, learn about the active Middletown TOD P3 project, and see more about P3 in Pennsylvania, visit www.P3forPA.pa.gov.

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