



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 2406

PRINTERS NO. 3829

PRIME SPONSOR: Helm

COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	\$0	(\$2,644,540)
Municipal Funds	\$0	\$0

SUMMARY: Authorizes and directs the Department of General Services (DGS) to convey certain Commonwealth lands. This legislation would take effect immediately.

ANALYSIS: Authorizes and directs the Department of General Services (DGS) to convey a .029 acre parcel of land in Dauphin County to Susquehanna Township, and authorizes the conveyance of Commonwealth real property, or interest therein, as follows:

- The removal of a restrictive covenant in the City of Philadelphia (26th Ward);
- A permanent easement over lands in South Buffalo Township, Armstrong County;
- Land in Greene Township, Franklin County;
- Land in West Branch Township, Lycoming County;
- Land in the City of Erie, Erie County (2 conveyances).

Susquehanna Township, Dauphin County: This legislation would authorize and direct DGS to convey .029 acres of state land located in Susquehanna Township, Dauphin County to Susquehanna Township for a road right-of-way expansion. No portion of the property may be used as a licensed gaming facility. In the event that this conveyance is not executed within 12 months of the effective date of the bill, the authority to make the conveyance shall expire.

City of Philadelphia (26th Ward), Philadelphia County: This legislation would authorize DGS to release the "community social service program restrictive covenant" on certain real property upon terms and conditions established in an agreement between DGS and the corporation. The property is part of the Tolentine Community Center and Development Corporation.

South Buffalo Township, Armstrong County: This legislation would authorize a property exchange of .28 acres between the State System of Higher Education and Armstrong County Industrial Development Council for an easement. In consideration for the permanent easement, the Council will convey to the Indiana University of Pennsylvania (IUP) a replacement easement.

Clinton Township, Lycoming County: This legislation would convey approximately 14 acres and any improvements thereon known as a portion of SCI-Muncy to West Branch Regional Authority (WBRA) for \$300,000. The conveyance of this parcel of land is subject to the restriction that no portion of the property conveyed to WBRA may be used as a licensed gaming facility.

Greene Township, Franklin County: This legislation would convey 165.96 acres of Commonwealth land and numerous buildings, known as the former Scotland School for Veterans' Children (SSVC), to Winebrenner Theological Seminary under terms and conditions established in an agreement of sale with DGS. The conveyance of this parcel of land is subject to the restriction that no portion of the property conveyed to Winebrenner Theological Seminary may be used as a licensed gaming facility.

All costs incurred by DGS in maintaining the property and preparing it for sale since 2009 will be deducted from the proceeds of the sale and transferred to the appropriation from which the costs were paid. The balance of the proceeds will be deposited into the General Fund. If Winebrenner and DGS cannot reach an acceptable agreement within 6 months, the property may be disposed of in accordance with the Commonwealth Surplus Disposition Plan.

City of Erie, Erie County (Customs House): This legislation would convey approximately .20 acres of land and a building known as the Customs House to the Erie Art Museum.

The conveyance of this parcel of land is subject to the restriction that no portion of the property conveyed to the Erie Art Museum may be used as a licensed gaming facility. The legislation also requires the Erie Art Museum to follow specific covenants to ensure continued public access to the property and to protect the historical integrity of the property.

City of Erie, Erie County (Cashiers House): This legislation would convey approximately .15 acres of land and a building known as the Cashiers House to the Erie Art Museum.

The conveyance of this parcel of land is subject to the restriction that no portion of the property conveyed to the Erie Art Museum may be used as a licensed gaming facility. The legislation also requires the Erie Art Museum to follow specific covenants to ensure continued public access to the property and to protect the historical integrity of the property.

FISCAL IMPACT: This legislation would create approximately \$2,644,540 in revenues/savings for the Commonwealth from the conveyances/covenant releases in Fiscal Year 2012-13. Of that \$2,644,540, \$1,044,540 would come from the conveyances/covenant releases as well approximately \$1,600,000 in annual savings to the Departments of General Services and Military and Veteran Affairs for personnel, maintenance, and utility expenses at the former Scotland School property.

Per the Department of General Services, the most recent appraised value of the Scotland School property was \$1,800,000. The costs incurred over the past 3 years, which would need to be reimbursed total \$1,457,362, leaving \$342,638 to be deposited the General Fund.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 28, 2012

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