



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

February 22, 2007

To the Honorable House of Representatives
of the Commonwealth of Pennsylvania:

Today I am signing HB 1621 and HB 1627. These bills authorize the grant of riparian rights along the Delaware River in Philadelphia for two very important residential developments that I am happy to see move forward.

However, it should be pointed out that the bills deviate from the valuation policy developed by the Department of General Services last year during a period of suspension of the consideration of bills dealing with the grant of riparian rights in Philadelphia that I requested in mid-2006. DGS' policy was formulated after a thorough and careful consideration of a variety of proposed methods for the valuation of these rights. It is a sound policy because of its consistency and transparency and the ease with which the rent can be built into the project and financed and it adequately compensates the Commonwealth -- both in terms of actual dollars collected and in terms of the preservation of public access to the waterfront -- for the grant of these rights. We will continue to encourage the use of DGS' policy going forward. I understand, however, that the developers involved in the projects described in these bills are amenable to the valuation provisions in the bills.

In addition, the bills as they were originally passed by both chambers contained ambiguous language regarding the General Assembly's purported exclusive authority to grant riparian rights along the Commonwealth's waterways in all instances. However, under certain circumstances enumerated in the Dam Safety and Encroachments Act and the Administrative Code the Department of Environmental Protection also has discretion to grant riparian rights and the original language in the bills called this discretion into question. As a result, I was not inclined to sign the bills as they were originally passed. Instead, I asked my staff to work with the sponsors of the bills to make sure they understood the ramifications of the language that had been added to the bills and to craft revisions that would appropriately preserve DEP's authority. They did that and as a result I am in a position to sign the bills.

All of that having been said, the issue of whether local governments -- in this instance, the City of Philadelphia -- also have some authority to grant riparian rights along waterways abutting

their boundaries is currently the subject of litigation pending before the Pennsylvania Supreme Court. As a result, I think it is unwise for any of us to articulate a position regarding this subject. Consequently, my signature on these bills should not be viewed as my support for or against this position. Rather, I am signing the bills, as mentioned above, in order to move the underlying projects forward expeditiously.



Edward G. Rendell
Governor