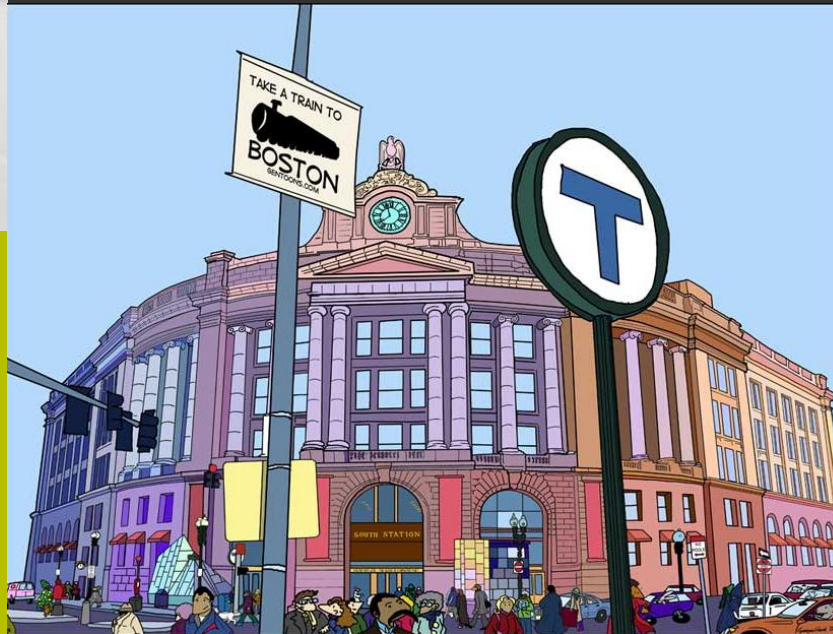


Implementation of PPP's for Transit



September 16, 2009
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PPPs Come in Many Forms

- Long-Term Lease Agreement/Concession*
- Joint Development Agreement (JDA)/Transit-Oriented Development (TOD)
- Multi-Modal Partnership
- Build-Own-Operate (BOO)
- Build-Operate-Transfer (BOT)/Build-Transfer-Operate (BTO)
- Design-Build-Finance-Operate (DBFO)
- Design-Build-Finance (DBF)*
- Design-Build-Operate-Maintain (DBOM)*
- Design-Build (DB)/Design-Build-Warranty*
- Construction Manager at Risk
- Design-Bid-Build (DBB)
- Private Contract Fee Services/Maintenance Contract

Overview of PPP (cont'd)

Survey of PPP's In Northeast

Massachusetts

- Recently enacted transportation reform bill with specific authorization for PPP in order to leverage non-core assets.
 - authorizes both DB and PPP
 - focus away from sale of transportation assets
 - Route 3N Example

New York

- State Asset Maximization Board established to encourage and bring uniformity to the PPP process and avoid “one-off” and disjointed nature of past PPP ventures.
 - approved in June, 2009
 - seen as a critical (missing?) step toward creating the political infrastructure for successful PPPs in U.S.
 - no general PPP authorization

Overview of PPP (cont'd)

Connecticut

- Although lacking specific or general statutory PPP authorization, has explored PPP opportunities with rest area and service plazas, TOD and other opportunities under exploration by Connecticut Transportation Strategy Board.

Maine

- Several examples of PPP in joint development, such as the Portland Transportation Center, and roadway projects, such as the Waldo-Hancock Bridge, the Sagadahoc Bridge in Bath and the Cushnut Crossing in Augusta.
 - Pending legislation to permit PPP in transportation HPO347 (2009)

Overview of PPP (cont'd)

New Hampshire

- New Hampshire Capital Corridor Commuter Rail proposal in June 2009, extending the Boston-Lowell commuter rail line using PPP.
- Pending legislation (HB2, 2009) to include PPP for welcome centers on state highways

Rhode Island

- Wickford Junction rail station/mixed use development using PPP, but no action on proposed authorization for PPP in transportation

Vermont

- Use of PPP in job creation/economic development but not in transportation

Overview of PPP (cont'd)

Example of PPP in Massachusetts

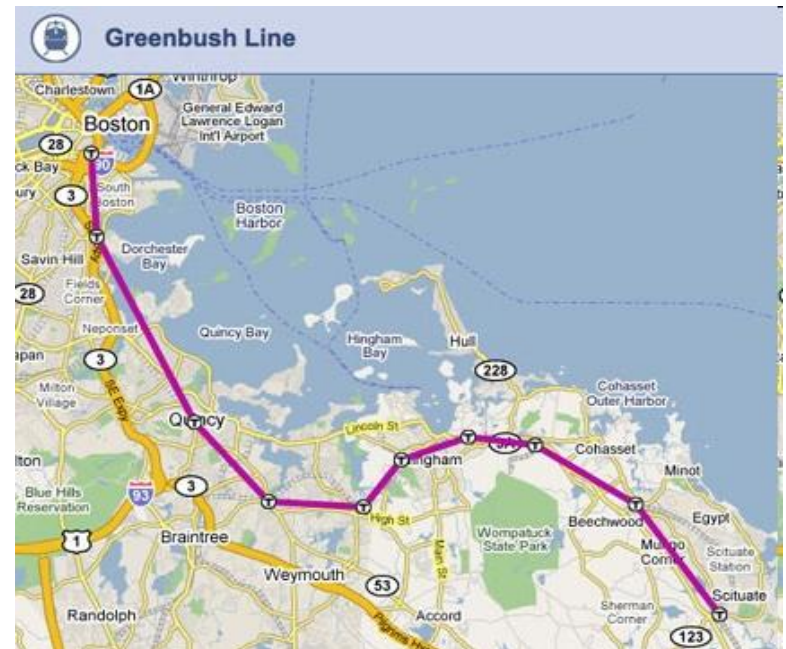
- Many shapes and sizes.
- A. Route 3N
 - Authorized by Special Act with 63-20 corp.
 - Design/build/leased/(Maintained)
 - 21 miles, 40 bridges, 13 interchanges, #385
 - Best Value Award
 - Ancillary Development not realized



Overview of PPP (cont'd)

B. Greenbush Commuter Rail

- Design/Build
- Contract awarded at conceptual design
- Extensive Mitigation and Environmental Permitting



Overview of PPP (cont'd)

C. MBTA Commuter Rail

- Operated by Mass Bay Commuter Railroad Company (“MBCR”)
- Operates 465 trains on 13 lines
- Operated MBTA’s commuter rail since 7/1/03
- Subject to MBTA’ Capital Constraints

South Station

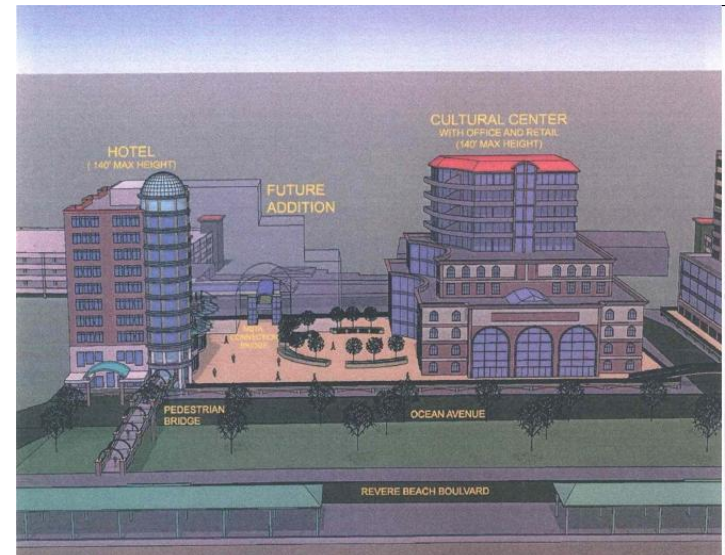
- Intermodal Transportation Center
- Operated by Beacon/Equity Office
- Retail Revenue split 50/50
- Trade Expansion/Bus Expansion and Future Development Opportunities

Overview of PPP (cont'd)

Revere

Waterfront Square – Redevelopment Wonderland Station-Blue Line Terminals

- authorized by Legislature in Special Acts in 1975 and 1977
- involves partnership with City, MBTA, DCR and Developer (Euorest)
- provides major enhancements for bus and motor vehicular access
- historic transit connection to oldest beach in America



Overview of PPP (cont'd)

Key Issues for Success of PPP Projects in Northeast

- A. Understood Transportation Need
- B. Political/Public Support
- C. Investment Level Scale and Revenue of Project
- D. Open Competitive Selection Process
- E. Reasonable Constrained Schedule Assumptions and Risk/Reward Allocation
- F. Environmental Permitting and Project Conditions
- G. Legal Authority