

**RESOLUTION TO APPROVE THE
NEW RIVER VALLEY PASSENGER RAIL STATION AUTHORITY AGREEMENT**

The Committee will review for approval a resolution regarding the university's participation in and authorization of the execution of an agreement establishing the New River Valley Passenger Rail Station Authority. The General Assembly recently authorized the creation of a regional passenger rail station authority and the university has been invited to join it on an equal basis with the County of Floyd, the County of Giles, the County of Montgomery, the County of Pulaski, the City of Radford, the Town of Blacksburg, the Town of Christiansburg, the Town of Pulaski, and Radford University.

Joining the authority will create economic growth and development for the university. The comfort, convenience, and welfare of the university community requires the development of facilities and the creation of the New River Valley Passenger Rail Station Authority will facilitate development of such necessary facilities.

The resolution commits the university to participating in the establishment of the New River Valley Passenger Rail Station Authority, authorizes that the university administration may commit resources, procure services, and enter into agreements that further the progress of the formation and operation of the authority, and authorizes the execution of an agreement establishing the respective rights and obligations of the members regarding the authority consistent with the provisions of the Code of Virginia.

**RESOLUTION TO APPROVE THE
NEW RIVER VALLEY PASSENGER RAIL STATION AUTHORITY AGREEMENT**

WHEREAS, in Chapter 38 of Title 33.2 of the Code of Virginia, 1950 as amended, the General Assembly has authorized the creation of a regional passenger rail station authority, which will be named the New River Valley Passenger Rail Station Authority; and

WHEREAS, Virginia Polytechnic Institute and State University has been invited to join the New River Valley Passenger Rail Station Authority on an equal basis with the County of Floyd, the County of Giles, the County of Montgomery, the County of Pulaski, the City of Radford, the Town of Blacksburg, the Town of Christiansburg, the Town of Pulaski, and Radford University; and

WHEREAS, joining the New River Valley Passenger Rail Station Authority will create economic growth and development for Virginia Polytechnic Institute and State University; and

WHEREAS, the comfort, convenience, and welfare of the university community requires the development of facilities and the creation of the New River Valley Passenger Rail Station Authority will facilitate development of the necessary facilities; and

WHEREAS, the Board of Visitors of Virginia Polytechnic Institute and State University reviewed the attached New River Valley Passenger Rail Station Authority Agreement and determines that participation in the New River Valley Passenger Rail Station Authority is in the best interest of Virginia Polytechnic Institute and State University; and

NOW, THEREFORE, BE IT RESOLVED, Virginia Polytechnic Institute and State University commits to participating in the establishment of the New River Valley Passenger Rail Station Authority; and

FURTHER, BE IT RESOLVED, that the administration of Virginia Polytechnic Institute and State University may commit resources, procure services, and enter into agreements that further the progress of the formation and operation of the New River Valley Passenger Rail Station Authority; and

FURTHER, BE IT RESOLVED, that the Board of Visitors of Virginia Polytechnic Institute and State University authorizes the execution of an agreement establishing the respective rights and obligations of the members regarding the New River Valley Passenger Rail Station Authority consistent with the provisions of Chapter 38 of Title 33.2 of the Code of Virginia, 1950 as amended.

RECOMMENDATION:

That the resolution regarding participation in and authorization of the execution of an agreement establishing the New River Valley Passenger Rail Station Authority be approved.

April 4, 2022

**NEW RIVER VALLEY
PASSENGER RAIL STATION AUTHORITY AGREEMENT**

WHEREAS, in compliance with, Chapter 38 of Title 33.2 of the Code of Virginia, 1950 as amended (the "Act"), the undersigned governing bodies of the creating political subdivisions and institutions of higher education (the "Members") have determined that the economic growth and development of the localities and the comfort, convenience and welfare of their citizens, students, and/or faculty require the development of Facilities (as defined in the Act); and,

WHEREAS, such governing bodies have further determined that joint action through a regional passenger rail station authority will facilitate the development of the needed Facilities, and by adoption of concurrent ordinances and resolutions, as applicable, have created the New River Valley Passenger Rail Station Authority, a public body politic and corporate created pursuant to the Act.

NOW THEREFORE, the Members hereby agree to establish the respective rights and obligations of the Members regarding the Authority consistent with the Act as follows:

I. NAME

The name of the Authority is the "New River Valley Passenger Rail Station Authority," and the address of its principal office is 6580 Valley Center Dr, Suite 124, Radford, VA 24141.

II. PARTIES TO THE NEW RIVER VALLEY PASSENGER RAIL STATION AUTHORITY AGREEMENT

The initial Members of the Authority are:

The County of Floyd, Virginia	The Town of Blacksburg, Virginia
The County of Giles, Virginia	The Town of Christiansburg, Virginia
The County of Montgomery, Virginia	The Town of Pulaski, Virginia
The County of Pulaski, Virginia	Virginia Tech
The City of Radford, Virginia	Radford University

Each Member is a political subdivision of the Commonwealth of Virginia or an eligible institution of higher education, and authorized by the Act to participate in the Authority.

III. BOARD OF THE AUTHORITY

There shall be two (2) representatives appointed by each Member to serve on the Board of Directors of the Authority which shall exercise the powers of the Authority. Representatives of the Members shall be appointed, serve, and be governed by the provisions of the Act and other applicable law. The initial terms of office of such representatives shall begin on the date of the written certification from the Secretary of the Commonwealth that the ordinances and resolutions adopted by the Members for

creation of the Authority have been filed with the Secretary of the Commonwealth. Subsequent appointments shall be for terms of four years, except appointments to fill vacancies, which shall be for the unexpired terms. The terms of office of all representatives appointed to serve on the Board of Directors shall begin and end on the same date. Each representative to the Board, before entering upon the discharge of the duties of the office, shall take and subscribe to the oath prescribed in § 49-1 of the Code of Virginia, 1950, as amended.

IV. FINDINGS AND PURPOSE FOR WHICH THE AUTHORITY IS CREATED

The Members hereby agree to the following findings and purposes for which the Authority is created:

- A. The creation of a regional passenger rail station authority will enable the Members to share the costs of developing, owning and operating an economic development asset that would be cost prohibitive to individual Members.
- B. The Authority will directly benefit and enhance the economic base of the Members by allowing development, ownership, and operation of a facility on a cooperative basis.
- C. The exercise of the powers of the Authority shall be for the benefit of the inhabitants of the Commonwealth, for the increase of commerce in the geographic area of the Members, and for the promotion of the safety, health, welfare, convenience, and prosperity of the inhabitants of the geographic region included within the Members (the "Region").

V. FACILITIES

The Authority may exercise any and all powers as allowed by the Act and other applicable law, including developing Facilities.

VI. PARTICIPATION AGREEMENTS

The Authority may enter into participation agreements with one or more Members by which Facilities may be constructed and developed in the Region ("**Participation Agreements**"). Such Participation Agreements may include participation by public and private entities that are not Members.

Each Member may participate in the development of each proposed Facility (a "**Project**") in accordance with the terms of the applicable Participation Agreement. Payment of the costs of a Project and receipt of any Project revenues by Members shall be in accordance with the terms of the Participation Agreement. The Authority may finance a Project through the issuance of "bonds" as defined in the Act ("**Bonds**"). Such Bonds shall be limited obligations of the Authority to be paid solely from revenues and receipts of that particular Project received by the Authority and from revenues that may

be received by the Authority pursuant to any Participation Agreement or other agreement related to the Project being financed (which may include financial contributions from Members who have entered into the applicable Participation Agreement), and may be secured by collateral encumbered or pledged in support of the financing ("**Project Based Financing**"). Project Based Financing is approved and consented to by the Members. Any individual Member may, at its discretion and as allowed by law, choose to enter into or not enter into a specific Participation Agreement in support of any particular Project. Any Member Locality not entering into a Participation Agreement in support of a Project shall have no monetary obligation or other duty or responsibility in relation to that Project.

VII. GENERAL OPERATIONS OF THE AUTHORITY

The general business of the Authority shall be conducted by the Board of Directors of the Authority, provided, such Board may create an executive committee and such other advisory committees as the Board may choose, including project committees. The Authority shall, from time to time, establish such fees as shall be necessary to be paid by the Members to support the general activities of the Authority. In accordance with the Act, a quorum of the Board shall exist when a majority of Members are represented by at least one representative to the Board, and the affirmative vote of a quorum of the Board, meaning a majority vote of all Members, shall be necessary for the Board to take any action. Conflicting votes cast by two (2) representatives to the Board from a single Member shall not count as a vote of such Member.

VIII. POWERS OF THE AUTHORITY

The Authority is vested with the powers of a body corporate, including the power to sue and be sued in its own name, plead and be impleaded, and adopt and use a common seal and alter the same as may be deemed expedient. The Authority shall have all rights, duties and powers provided by the provisions of the Act, as amended, including the power to issue Bonds for any valid purpose.

IN WITNESS WHEREOF, the Governing Bodies identified, by authorized action, have caused this Agreement to be executed, and their respective seals to be affixed hereto and attested by their respective clerks or secretaries commencing this ____ day of _____, 2021.

SIGNATURES TO FOLLOW:

The County of Floyd, Virginia
The County of Giles, Virginia
The County of Montgomery, Virginia
The County of Pulaski, Virginia
The City of Radford, Virginia

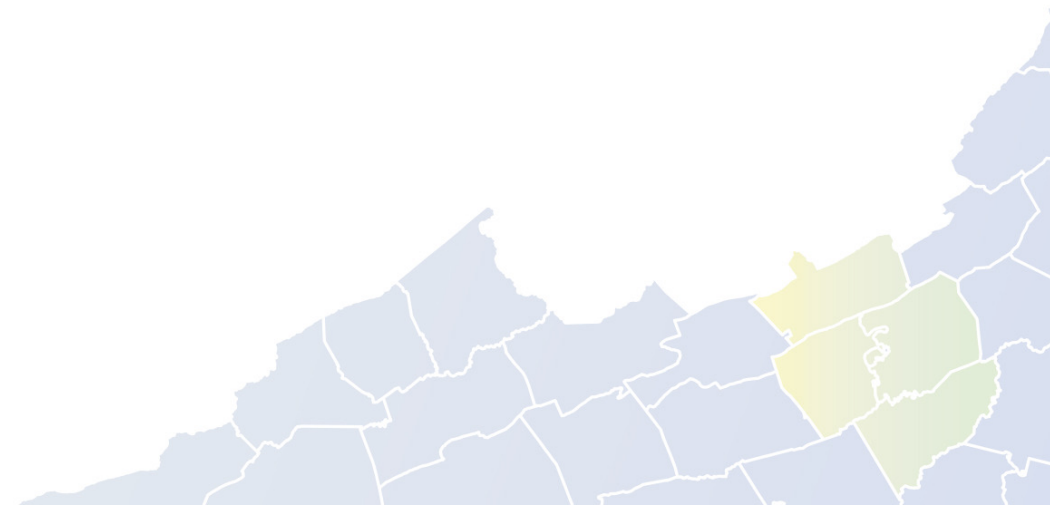
The Town of Blacksburg, Virginia
The Town of Christiansburg, Virginia
The Town of Pulaski, Virginia
Virginia Tech
Radford University

NRV Passenger Rail Station Authority Formation

Fall, 2021

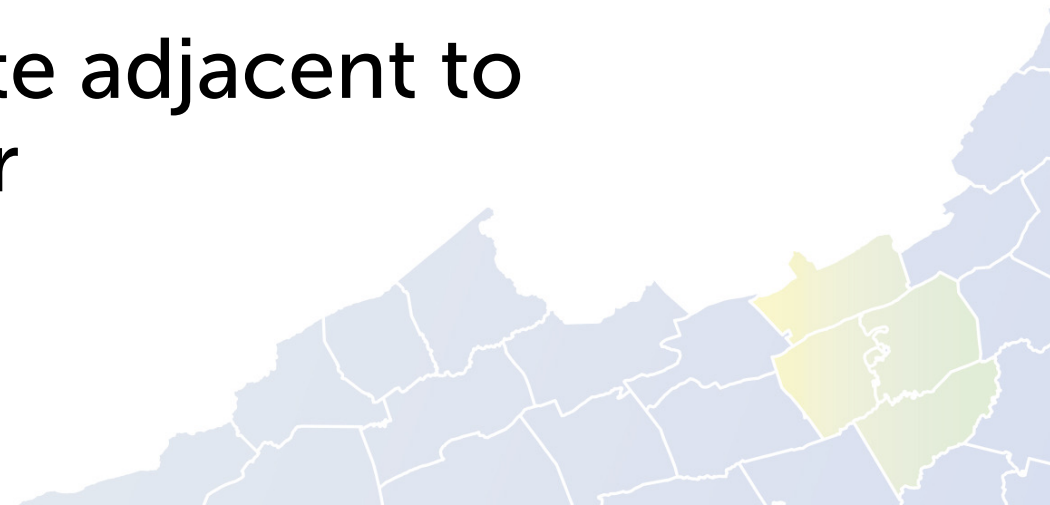
Presentation Overview

- NRV Passenger Rail Progress to Date
- Current Stage – Authority Formation
- Next Steps



Ridership and Station Location Study





- Completed in January 2016
- Projected ridership of 40,000 per year
- Identified preferred station location
 - 29 sites ranked, narrowed to 3
 - MPO Policy Board selected site adjacent to Christiansburg Aquatic Center



Station Ownership & Maintenance Study

- Evaluated 6 Organization Models
 - Host locality; Host locality + Public/Private Partners; Transportation Authority; Limited Liability Company (LLC); Corporation; Authority.
- Strong consensus to establish an authority to own/operate a facility

Station Cost Factors

State Investment		Local Investment	
Operations	Platforms	Stations	Connectivity
<ul style="list-style-type: none"> Amtrak staff, management, ticket services Fuel Food and beverage Equipment: maintenance, cleaning Leases Insurance Performance payments Alternative transportation (during service disruptions) 	<ul style="list-style-type: none"> Tactile strip & surfaces ADA compliance Stormwater treatment Lighting Utilities Cleaning Litter/garbage collection Insurance 	<ul style="list-style-type: none"> Maintenance Utilities Janitorial services Parking Landscaping Insurance Security 	<ul style="list-style-type: none"> Land use & economic activity Public roads, sidewalks, & bike lanes Public transit
Capital Construction & Equipment <ul style="list-style-type: none"> Track construction Signal systems Grade separations & roadway crossings Locomotives Traincars Long-term track maintenance 			
			
			
State Revenues		Local Revenues	
<ul style="list-style-type: none"> Tickets Food & beverage State Support 		<ul style="list-style-type: none"> Rent Parking Tax Revenues 	



Station Ownership & Maintenance Study

- Approximately \$360,000 annual operation cost
 - 30-year debt service for \$4.25M site construction
 - \$250,000 Furnishings, Fixtures & Equipment
 - \$70,000 building/grounds maintenance
- Revenue derived from authority members based on:
 - Population, ridership, proximity to station

Station Ownership & Maintenance Study

Simplification-Based Scenario #1: Locally Preferred Revenue Plan									
Montgomery County	Town of Blacksburg	Virginia Tech	Town of Christiansburg	Pulaski County	Town of Pulaski	City of Radford	Radford University	Giles County	Floyd County
78.00% (19.5%)				3.00%	1.00%	14.50% (7.25%)		1.75%	1.75%
\$69,746				\$10,730	\$3,576	\$25,931		\$6,259	



NRV Passenger Rail Station Authority (NRV-PRSA)

- Enabling Legislation took effect July 1, 2021
- Allows local governments and higher education institutions in PDC 4 (New River Valley) to establish/operate authority
- Establishment through passing an ordinance and executing an agreement

NRV Passenger Rail Station Authority (NRV-PRSA)

- Potentially 10 members: 8 local government, 2 higher education
- Each member has 2 appointees to the board
- NRVRC identified as the administrative entity at start

NRV Passenger Rail Station Authority (NRV-PRSA)

- Financial Investment
 - General administrative at start
 - Shift into capital project financing + operations + administrative
- Participation Agreement Structure
 - Isolates financial liability to those opting to participate with capital project(s)

Next Steps

- Establish the NRV PRSA - members pass ordinance and execute agreement in October/November
- State leadership is working on determining station location
- Authority formation sends strong message of commitment to state leadership
- Discuss opportunities for state/federal investment in station costs

**MEMORANDUM****To: NRV Local Governments and Higher Education Institutions****From: Kevin R. Byrd, Executive Director****Date: September 24, 2021****Re: NRV Passenger Rail Station Authority Formation**

Currently, local governments and higher education institutions in the New River Valley are taking action to create the New River Valley Passenger Rail Station Authority (NRV PRSA). The Authority will provide the organizational structure necessary for public bodies to jointly own and operate a passenger rail station in the region. In order to establish the NRV PRSA, members will need to adopt the ordinance and execute the agreement attached to this memo. These actions are taking place across the New River Valley during the October and November timeframe. If any potential member of the authority would like a presentation, I am available to meet with boards and councils to provide an overview and discuss questions.

Background

In 2013, a regional public-private coalition was convened by the Blacksburg Partnership with the intention of returning passenger rail service to the New River Valley. The coalition represents a unique partnership between business, government, legislative and higher education leaders with support from all corners of the region. The initial meetings of the coalition were fact-finding oriented and included presentations from leadership with the Virginia Department of Rail and Public Transit (DRPT) and leaders in Roanoke and Lynchburg that were successful in reintroducing passenger rail service in their communities. These briefings led to the development of a roadmap of information needed to make the case for passenger rail service returning to the New River Valley.

In 2015, the New River Valley Metropolitan Planning Organization (NRV MPO) funded a study performed by the New River Valley Regional Commission (NRVRC) to calculate the anticipated ridership and identify a potential station location to serve the region. The results of the study conservatively estimate ridership to be 40,000 per year, a number attractive to DRPT, which manages contracts for rail service in the Commonwealth, and Amtrak. The study process initially identified 29 potential station sites between Montgomery County, the City of Radford, and Pulaski County. Criteria was applied based on DRPT operating information, such as parking requirements, to help narrow the list down to three sites. The NRV MPO Policy Board reviewed the three sites and identified the top site at the time as a location adjacent to the Christiansburg Aquatic Center on Franklin

Strengthening the Region through Collaboration**Counties**

Floyd | Giles
Montgomery | Pulaski
City
Radford

Towns

Blacksburg | Christiansburg
Floyd | Narrows | Pearisburg
Pembroke | Pulaski
Rich Creek

Higher Education

Virginia Tech
Radford University
New River Community College

Street. The ultimate station location remains to be determined given the Commonwealth's ongoing negotiations with Norfolk & Southern which owns the rail lines.

In 2019, the NRV MPO again worked with the NRVRC on the next phase of the project, a Station Ownership and Maintenance Study. This process evaluated six organizational models that could be utilized to own and operate a passenger rail station. The organizational models included host locality ownership, host locality and public/private partners, transportation authority, limited liability company (LLC), corporation, and an authority to be enabled by the Virginia General Assembly. Through the planning process strong consensus was apparent to pursue enabling legislation to form an authority that would allow local governments and higher education institutions to jointly own and operate the facility. This would be the first authority-owned passenger rail station in Virginia and for good reason. The highest volume of ridership is not likely to originate in the host community where the station may be located, as is the case for most other stations. Given high levels of ridership expected from Virginia Tech, Blacksburg, Montgomery County, Radford University and surrounding New River Valley communities, joint ownership and operations became logical.

The Station Ownership and Maintenance Study also examined equitable cost-sharing for the participants of an authority. Several models were evaluated that took into account population, proximity to the station, and potential ridership. The preferred model is a blend of all three inputs. The potential financial obligation of authority members was modeled based on developing the station at the preferred location adjacent to the Christiansburg Aquatic Center. The approximate annual operating cost is \$360,000 which includes 30-year debt service for \$4.25M site construction, \$250,000 for furnishings, fixtures and equipment, and \$70,000 for building/grounds maintenance. The table below illustrates how the potential costs could be shared among authority members when using the financial model from the study.

Simplification-Based Scenario #1: Locally Preferred Revenue Plan									
<i>Montgomery County</i>	<i>Town of Blacksburg</i>	<i>Virginia Tech</i>	<i>Town of Christiansburg</i>	<i>Pulaski County</i>	<i>Town of Pulaski</i>	<i>City of Radford</i>	<i>Radford University</i>	<i>Giles County</i>	<i>Floyd County</i>
78.00% (19.5% per)				3.00%	1.00%	14.50% (7.25% per)		1.75%	1.75%
\$69,746.06	\$69,746.06	\$69,746.06	\$69,746.06	\$10,730.16	\$3,576.72	\$25,931.23	\$25,931.23	\$6,259.26	\$6,259.26

In 2021 Governor Northam signed the New River Valley Passenger Rail Station Authority legislation into law (VA Code 33.2-38) which enables formation of the Authority by local governments and higher education institutions in Planning District 4 also known as the New River Valley. At this time the authority can be created and begin working with state leadership to further advance reintroducing passenger rail service to the New River Valley.

It is important to note, by organizing the authority there are no financial commitments being made for capital projects such as constructing the station. Capital projects conducted through the authority will be organized through Participation Agreements that specifically identify the members committing to the project and their financial obligation. Capital projects will be determined at a later date once more information is available about the station location and the cost to construct/operate the facility.

More information about NRV Passenger Rail and progress made to date can be found at www.nrvrail2020.blacksburgpartnership.org