



COMMONWEALTH of VIRGINIA

Commonwealth Transportation Board

Shannon Valentine
Chairperson

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Agenda Item #9

RESOLUTION OF THE COMMONWEALTH TRANSPORTATION BOARD

October 20, 2021

MOTION

Made By: Mr. Rucker **Seconded By:** Ms. Hynes

Action: Motion carried, unanimously

Approval of Interim Report Pursuant to Item 447.10 (Transportation Initiatives) of the 2021 Appropriations Act

WHEREAS, Chapter 552 (the Appropriations Act), enacted during the 2021 Special Session 1 of the General Assembly, included Item 447.10 providing one-time appropriations for certain Transportation Initiatives; and

WHEREAS, more specifically, funds appropriated in Item 447.10 represent one-time federal funds, one-time general funds and uncommitted state funds in special programs for economic development and access purposes from previous fiscal years and include:

- \$233,400,000 in the first year in public funds made available for Highway Infrastructure Programs by the Coronavirus Response and Relief Supplemental Appropriations Act (P.L. 116-260),
- \$20,000,000 in the first year out of uncommitted balances in the Transportation Partnership Opportunity Fund established pursuant to § [33.2-1528.1](#),
- \$15,000,000 in the first year in uncommitted balances previously allocated for Financial Assistance for Planning, Access Road, and Special Projects (60704), and
- \$55,000,000 in the second year from the general fund; and

WHEREAS, Item 447.10 provides that the foregoing funds shall be used by the Commonwealth Transportation Board (Board) to support certain transportation initiatives as follows:

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1. Up to \$83,500,000 shall be transferred to extend intercity passenger rail service from Roanoke, Virginia to the Blacksburg-Christiansburg, Virginia area and increase the frequency of intercity passenger rail service along the I-81/Route 29 Corridor from Washington, DC;
2. Up to \$83,500,000 shall be transferred to improve commuter rail service on the Virginia Railway Express Manassas Line;
3. Up to \$93,100,000 shall be transferred to/used for improvements to the Interstate 64 Corridor as follows: (i) to provide any amounts necessary to complete the funding plan for the Hampton Roads Express Lanes as identified in the Master Agreement for Development and Tolling of the Hampton Roads Express Lanes Network, and (ii) any remaining amounts to improve Interstate 64 between exit 205 and exit 234 as determined by the Commonwealth Transportation Board;
4. Up to \$32,400,000 shall be transferred as necessary to ensure the Commonwealth can provide its share of the dedicated regional funding for the Washington Metropolitan Area Transit Authority for fiscal year 2022 to be deposited into the Washington Metropolitan Area Transit Authority Capital Fund (60905) established pursuant to § [33.2-3401](#), and any amounts remaining after that shall be provided to the Northern Virginia Transportation Commission to reduce the fiscal year 2022 operational obligations of its member jurisdictions, based on the current formula, to Metrorail, Metrobus and MetroAccess services;
5. Up to \$10,000,000 shall be transferred for regional trails to support the planning, development and construction of multi-use trails with priority given by the Board to developing new regional trails, to projects to improve connectivity of existing trail networks, and to geographic diversity in the use of such funds;
6. Up to \$10,900,000 shall be transferred and used for purposes set forth in subsection F of § 33.2-1526.1:2, to establish pilot programs for fare-free transit with urban and rural transit providers, and an amount not to exceed \$900,000 may be used to study transit equity and modernization in the Commonwealth; and,
7. Up to \$10,000,000 shall be transferred for a connected infrastructure redevelopment demonstration program within and adjacent to the Virginia Tech campus in the City of Falls Church; and

WHEREAS, Item 447.10 further provides that the Board shall provide an interim report to the Governor and the General Assembly on the use of the funds provided by this item no later than November 1, 2021 (Transportation Initiatives Interim Report) and a final report to the Governor and the General Assembly no later than June 30, 2022; and

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WHEREAS, during the October Workshop, a presentation as well as a draft Transportation Initiatives Interim Report (Attachment A) was provided to the Board regarding the use of funds pursuant to Item 447.10 thus far, and approval of the Interim Report is sought.

NOW THEREFORE, BE IT RESOLVED, that the Commonwealth Transportation Board hereby approves the Transportation Initiatives Interim Report attached hereto as Attachment A and authorizes the Secretary of Transportation, as Chair of the Board, to submit the report to the Governor and the General Assembly, with such changes as the Secretary deems appropriate.

####

CTB Decision Brief
Approval of Interim Report Pursuant to Item 447.10 (Transportation Initiatives) of the 2021 Appropriations Act

Issue: Chapter 552 (the Appropriations Act), enacted during the 2021 Special Session 1 of the General Assembly, included Item 447.10, providing one-time appropriations of funds, and directing that the Commonwealth Transportation Board use the appropriated funds, for certain Transportation Initiatives. Item 447.10 further provides that the Board is to provide an interim report to the Governor and the General Assembly on the use of the funds provided by the Item no later than November 1, 2021 (Transportation Initiatives Interim Report) and a final report to the Governor and the General Assembly no later than June 30, 2022. Approval of, and authority for the Secretary of Transportation to submit, the Transportation Initiatives Interim Report is sought.

Facts: Funds appropriated in Item 447.10 represent one-time federal funds, one-time general funds and uncommitted state funds in special programs for economic development and access purposes from previous fiscal years and include:

- \$233,400,000 in the first year in public funds made available for Highway Infrastructure Programs by the Coronavirus Response and Relief Supplemental Appropriations Act (P.L. 116-260),
- \$20,000,000 in the first year out of uncommitted balances in the Transportation Partnership Opportunity Fund established pursuant to § [33.2-1528.1](#),
- \$15,000,000 in the first year in uncommitted balances previously allocated for Financial Assistance for Planning, Access Road, and Special Projects (60704), and
- \$55,000,000 in the second year from the general fund; and

Item 447.10 requires that the foregoing funds be used by the Commonwealth Transportation Board (Board) to support certain transportation initiatives as follows:

1. Up to \$83,500,000 shall be transferred to extend intercity passenger rail service from Roanoke, Virginia to the Blacksburg-Christiansburg, Virginia area and increase the frequency of intercity passenger rail service along the I-81/Route 29 Corridor from Washington, DC;
2. Up to \$83,500,000 shall be transferred to improve commuter rail service on the Virginia Railway Express Manassas Line;
3. Up to \$93,100,000 shall be transferred to/used for improvements to the Interstate 64 Corridor as follows: (i) to provide any amounts necessary to complete the funding plan for the Hampton Roads Express Lanes as identified in the Master Agreement for Development and Tolling of the Hampton Roads Express Lanes Network, and (ii) any remaining amounts to improve Interstate 64 between exit 205 and exit 234 as determined by the Commonwealth Transportation Board;
4. Up to \$32,400,000 shall be transferred as necessary to ensure the Commonwealth can provide its share of the dedicated regional funding for the Washington Metropolitan Area Transit Authority for fiscal year 2022 to be deposited into the Washington Metropolitan

Area Transit Authority Capital Fund (60905) established pursuant to § [33.2-3401](#), and any amounts remaining after that shall be provided to the Northern Virginia Transportation Commission to reduce the fiscal year 2022 operational obligations of its member jurisdictions, based on the current formula, to Metrorail, Metrobus and MetroAccess services;

5. Up to \$10,000,000 shall be transferred for regional trails to support the planning, development and construction of multi-use trails with priority given by the Board to developing new regional trails, to projects to improve connectivity of existing trail networks, and to geographic diversity in the use of such funds;
6. Up to \$10,900,000 shall be transferred and used for purposes set forth in subsection F of § [33.2-1526.1:2](#), to establish pilot programs for fare-free transit with urban and rural transit providers, and an amount not to exceed \$900,000 may be used to study transit equity and modernization in the Commonwealth; and,
7. Up to \$10,000,000 shall be transferred for a connected infrastructure redevelopment demonstration program within and adjacent to the Virginia Tech campus in the City of Falls Church.

During the October Workshop, a presentation, as well as a draft Transportation Initiatives Interim Report (Attachment A), was provided to the Board regarding the use of funds pursuant to Item 447.10 thus far, and approval of the Interim Report is sought.

Recommendations: It is recommended that the Board approve the Transportation Initiatives Interim Report attached hereto as Attachment A and authorize the Secretary of Transportation, as Chair of the Board, to submit the report to the Governor and the General Assembly, with such changes as the Secretary deems appropriate.

Action Required by CTB: A majority of the Board must approve the Transportation Initiatives Interim Report and authorize its submission to the Governor and General Assembly. A resolution will be provided for the Board's consideration.

Result if Approved: The Transportation Initiatives Interim Report will be finalized and submitted to the Governor and General Assembly

Options: Approve, Deny, or Defer.

Public Comments/Reactions: N/A.

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The Honorable Ralph Northam
Members of the Virginia General Assembly
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November 1, 2021

The Honorable Ralph Northam
Members of the Virginia General Assembly

Dear Ladies and Gentlemen:

Item 447.10 of Chapter 552 of the 2021 Special Session I Acts of the Assembly provided a total of \$323.4 million in one-time federal funds, one-time general funds, and uncommitted state funds in special programs for economic development and access purposes from previous fiscal years as follows:

- \$233.4 million in public funds made available for Highway Infrastructure Programs by the Coronavirus Response and Relief Supplemental Appropriations Act (P.L. 116-260);
- \$20.0 million out of uncommitted balances in the Transportation Partnership Opportunity Fund established pursuant to § 33.2-1528.1 of the *Code of Virginia*;
- \$15.0 million in uncommitted balances previously allocated for Financial Assistance for Planning, Access Road, and Special Projects (60704); and
- \$55.0 million in the second year from the general fund.

In accordance with Item 447.10 of Chapter 552, I am writing to provide an interim report on the use of funds as directed by this item. The Commonwealth Transportation Board (CTB) included these funds in its FY 2022-2027 Commonwealth Transportation Fund (CTF) Six-Year Financial Plan (SYFP) approved in June 2021, thereby incorporating the funds into its budget for the prescribed uses. The following information details the directed uses of these funds pursuant to Item 447.10 B of Chapter 552, as well as the current status and use of the funds.

Item 447.10 B.1

Item 447.10 B.1 provided that up to \$83.5 million shall be transferred to Item 443 to extend intercity passenger rail service from Roanoke, Virginia to the Blacksburg-Christiansburg, Virginia area and increase the frequency of intercity passenger rail service along the I-81/Route 29 Corridor from Washington, DC. The FY 2022-2027 CTF SYFP provides \$41.75 million in FY 2022 and \$41.75 million in FY 2023 to the Department of Rail and Public Transportation (DRPT) for this purpose. DRPT and Norfolk Southern executed a binding term sheet on April 2, 2021. In addition, DRPT and the Virginia Passenger Rail Authority (VPRA) are in active negotiations with Norfolk Southern to complete definitive agreements by December 2021.

Item 447.10 B.2

Item 447.10 B.2 provided that up to \$83.5 million shall be transferred to Item 442 to improve commuter rail service on the Virginia Railway Express (VRE) Manassas Line. The FY 2022-2027 CTF SYFP provides \$41.75 million in FY 2022 and \$41.75 million in FY 2023 to DRPT

for this purpose. DRPT, VPRA, and VRE are working to finalize negotiations with Norfolk Southern on an agreement for expanded VRE service on the Manassas line. Term sheet negotiations are underway.

Item 447.10 B.3

Item 447.10 B.3 provided that up to \$93.1 million shall be transferred to Item 447 for improvements to the Interstate 64 Corridor as follows: (i) to provide any amounts necessary to complete the funding plan for the Hampton Roads Express Lanes as identified in the Master Agreement for Development and Tolling of the Hampton Roads Express Lanes Network (HRELN) executed pursuant to Chapter 703 of the 2020 Acts of Assembly, and (ii) any remaining amounts to improve Interstate 64 between exit 205 and exit 234 as determined by the CTB.

The 2022-2027 CTF SYFP provides \$93.1 million for the specified purpose. Pursuant to Item 447.10 F, the CTB may not distribute any funds for the HRELN until an updated traffic and revenue modeling considering summer weekend traffic volumes is completed; that effort is underway. Estimated revenue results will be provided in mid-January 2022 with the full report completed in late February 2022.

Item 447.10 B.4

Item 447.10 B.4 provided that up to \$32.4 million shall be transferred to Item 442 with an amount necessary to ensure the Commonwealth can provide its share of the dedicated regional funding for the Washington Metropolitan Area Transit Authority (WMATA) for fiscal year 2022 to be deposited into the Washington Metropolitan Area Transit Authority Capital Fund (60905) established pursuant to § 33.2-3401 of the *Code of Virginia* and any amounts remaining after that shall be provided to the Northern Virginia Transportation Commission (NVTC) to reduce the fiscal year 2022 operational obligations of its member jurisdictions, based on the current formula, to Metrorail, Metrobus and MetroAccess services.

The FY 2022-2027 CTF SYFP provides \$32.4 million in FY 2022 for this purpose and the funds have been transferred to DRPT. The CTB subsequently allocated \$22,397,000 of the \$32.4 million in the FY 2022-2027 Six-Year Improvement Program (SYIP) to fully fund the \$154.5 million of WMATA Dedicated Funding for FY 2022. The remaining \$10,003,000 will be allocated between WMATA and NVTC in the fourth quarter of FY 2022 based on actual revenue collections for the WMATA Dedicated Funding sources.

Item 447.10 B.5

Item 447.10 B.5 provided that up to \$10.0 million shall be transferred to Item 447 for regional trails to support the planning, development and construction of multi-use trails with priority given by the CTB to developing new regional trails, to projects to improve connectivity of existing trail networks, and to geographic diversity in the use of such funds. The FY 2022-2027 CTF SYFP provides \$10.0 million for this purpose. Pursuant to the requirements of the Appropriation Act, the Office of Intermodal Planning and Investment (OIPI) has convened a working group to identify trails, undertake a master planning process, and complete a funding needs assessment

Item 447.10 B.6

Item 447.10 B.6 provided that up to \$10.9 million shall be transferred to Item 442 and used for purposes set forth in subsection F of § 33.2-1526.1:2 of the *Code of Virginia*, to establish pilot programs for fare-free transit with urban and rural transit providers, and an amount not to exceed \$900,000 may be used to study transit equity and modernization in the Commonwealth. The FY 2022-2027 CTF SYFP provides \$10.9 million for this purpose. DRPT received mid-cycle grant applications for the Transit Ridership Incentive Program's fare free transit program on September 17, 2021 and presented funding recommendations to CTB on October 19, 2021. The Transit Equity and Modernization study is underway with an interim report due December 1, 2021; total study budget is \$1.8 million.

Item 447.10 B.7

Item 447.10 B.7 provided that up to \$10.0 million shall be transferred to Item 447 for a connected infrastructure redevelopment demonstration program within and adjacent to the Virginia Tech campus in the City of Falls Church. The FY 2022-2027 CTF SYFP provides \$10.0 million for this purpose. Planning for this program began mid-October 2021. VDOT and Virginia Transportation Research Council (VTRC) staff have been involved in pre-planning efforts and are members of both technical and executive steering committees related to this program. In addition, coordination for development of required agreement is underway.

I appreciate the support of the General Assembly in appropriating these funds for important transportation initiatives in the Commonwealth. A final update on the use of the funds will be provided no later than June 30, 2022, as required.

Respectfully,

Shannon Valentine