



Rail Industrial Access

Program Update

Michael Todd, AICP | Rail Programs Director
February 20, 2024





Agenda

- Program Overview
- Performance Summary
- Recommendation

Program Overview



Rail Industrial Access

\$5.5M Annual Budget (from VDOT Construction Fund and shared with EDA program)

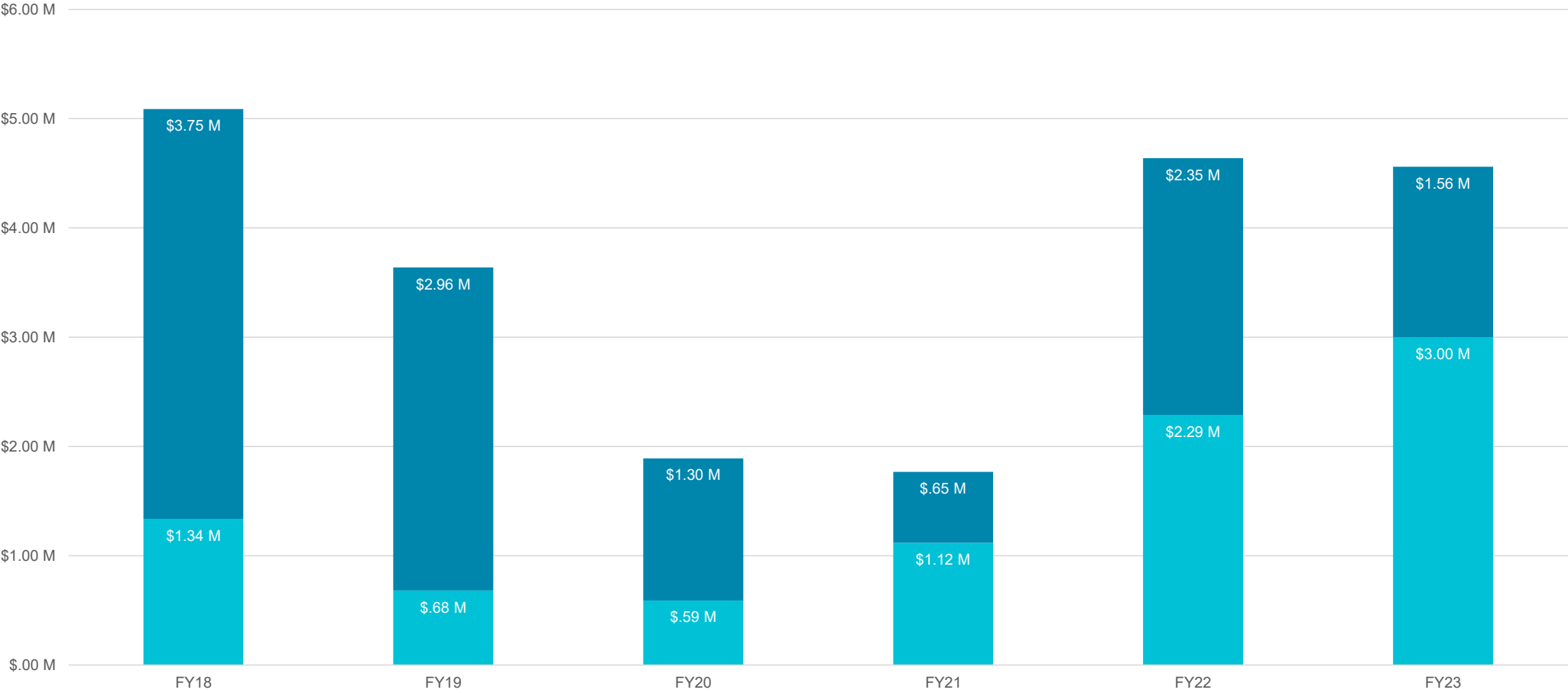
\$450k Project Max (30% Match Required)

Approx. 4 Applications per Year

\$9M Allocated since 2018

Program Utilization

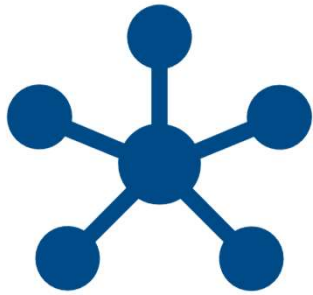
CTB Approved (Rail) CTB Approved (Road)



5 *Annual budget appropriation \$5.5 million

VIRGINIA DEPARTMENT OF RAIL AND PUBLIC TRANSPORTATION

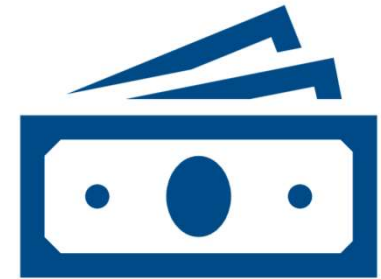
Program Goals



Network Capacity



Safeguard Investment



Save Money

Network Capacity

§ 33.2-1600. Fund for construction of industrial access railroad tracks.

A. The General Assembly declares it to be in the public interest that access railroad tracks and facilities be constructed to certain industrial commercial sites where rail freight service is or may be needed by new or substantially expanded industry and that financial assistance be provided to areas seeking to furnish rail freight

benefits. The Board shall adopt procedures to encourage widespread use of the funds, shall limit allocation of funds so that no locality receives more than 50 percent of the funds in any one fiscal year unless there are net

life of the project as determined by the Director of the Department of Rail and Public Transportation and shall be made available for use by all common carriers using the railway system to which they connect. The landowners or using businesses shall, prior to the commitment of funds by the Director of the Department of Rail and Public Transportation, be committed to the perpetual maintenance of such tracks and

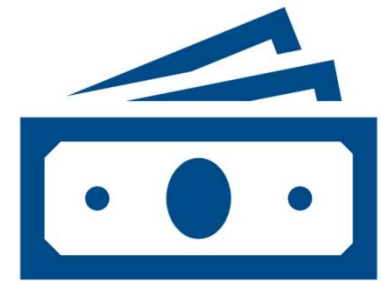
Network Capacity



- Marketing Initiatives
- Relationships
- Common Carrier
 - Temperpack (Henrico Co.)



Safeguard Investment



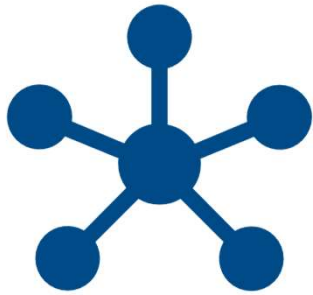
Save Money

Safeguard Investment

D. Funds may be used to construct, reconstruct, or improve part or all of the necessary tracks and related facilities on public or private property currently used or being developed, existent or prospective, for single industries or industrial subdivisions under firm contract or already constructed, including those subdivisions owned or promoted by railroad companies and others. Applications for funds must be approved by the local governing body.

F. Tracks and facilities constructed with such funds shall be the property of the Commonwealth for the useful life of the project as determined by the Director of the Department of Rail and Public Transportation and shall be made available for use by all common carriers using the railway system to which they connect. The ~~landowners or using businesses shall~~ prior to the commitment of funds by the Director of the Department of

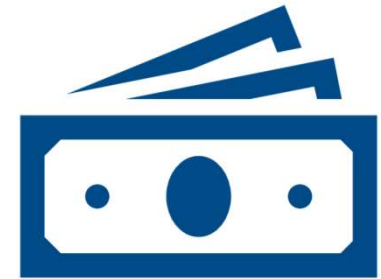
Safeguard Investment



Network Capacity



- Annual Performance
- Funding Clawback
- Contingent Interest
 - Minimum 15 years

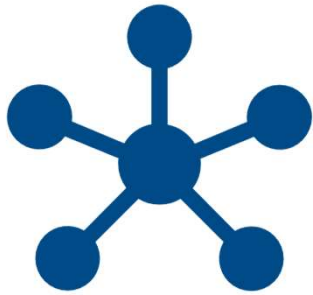


Save Money

Save Money

landowners or using businesses shall, prior to the commitment of funds by the Director of the Department of Rail and Public Transportation, be contractually committed to the perpetual maintenance of such tracks and facilities so constructed and to the payment of any costs related to the future relocation or removal of such tracks and facilities.

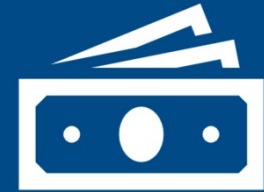
Save Money



Network Capacity

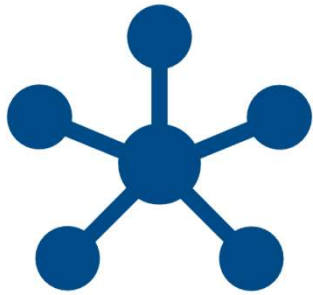


Safeguard Investment



- 30% Capital Match
- Scoring Rewards Increased Match
- Private Maintenance
 - Minimum 15 years

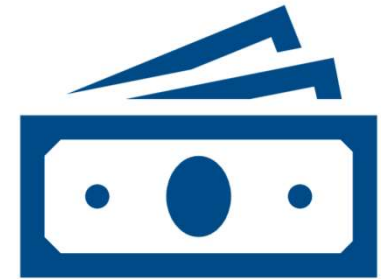
Program Goals



Network Capacity



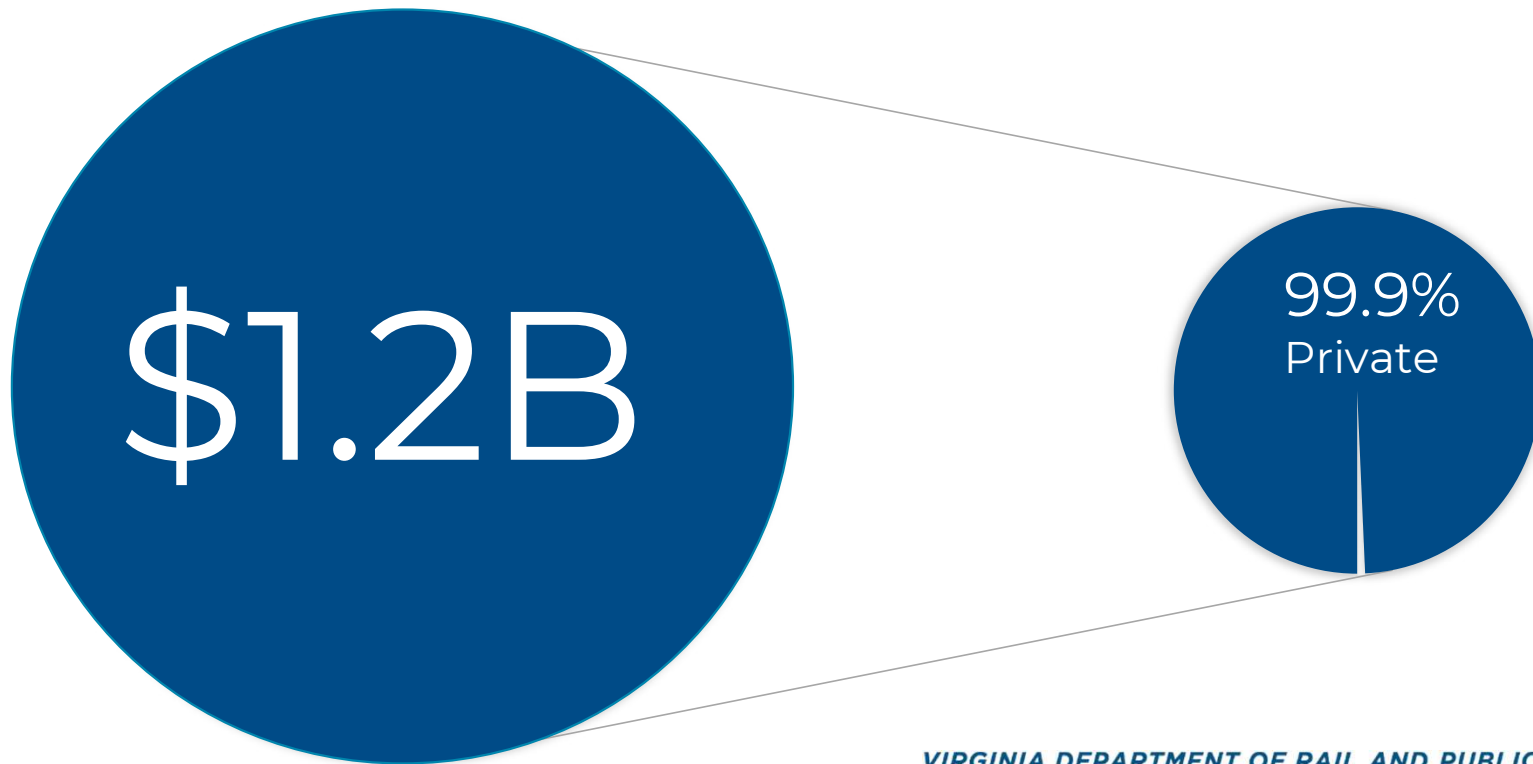
Safeguard Investment



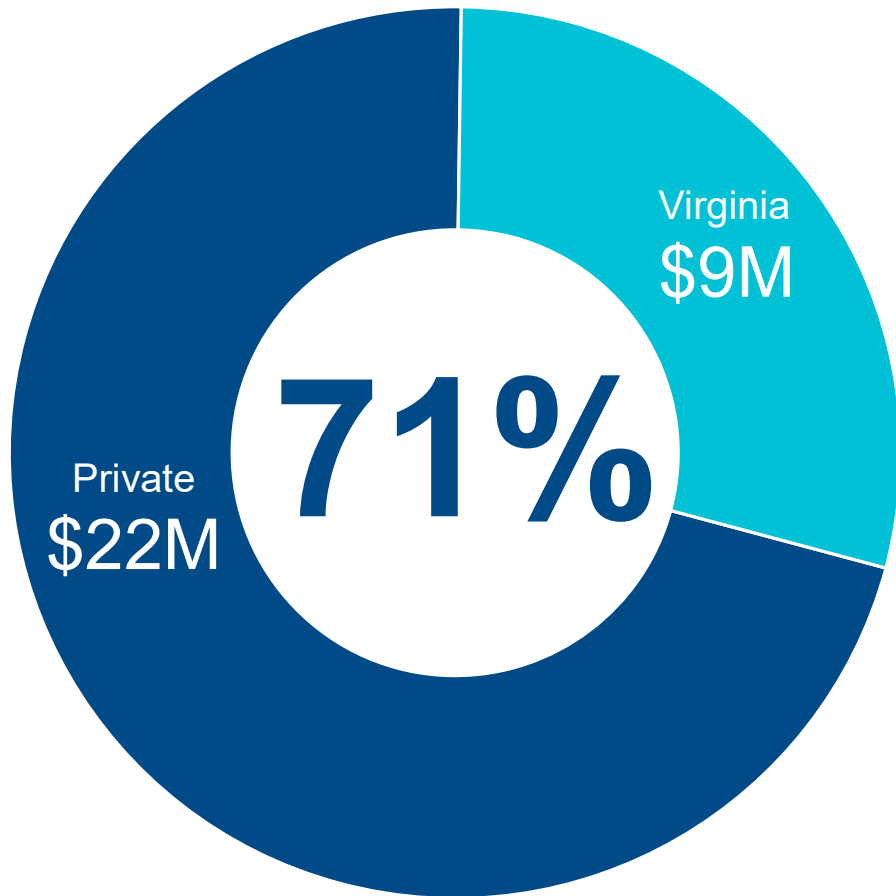
Save Money

Performance Summary

Total Investment Summary: 2018 - 2023



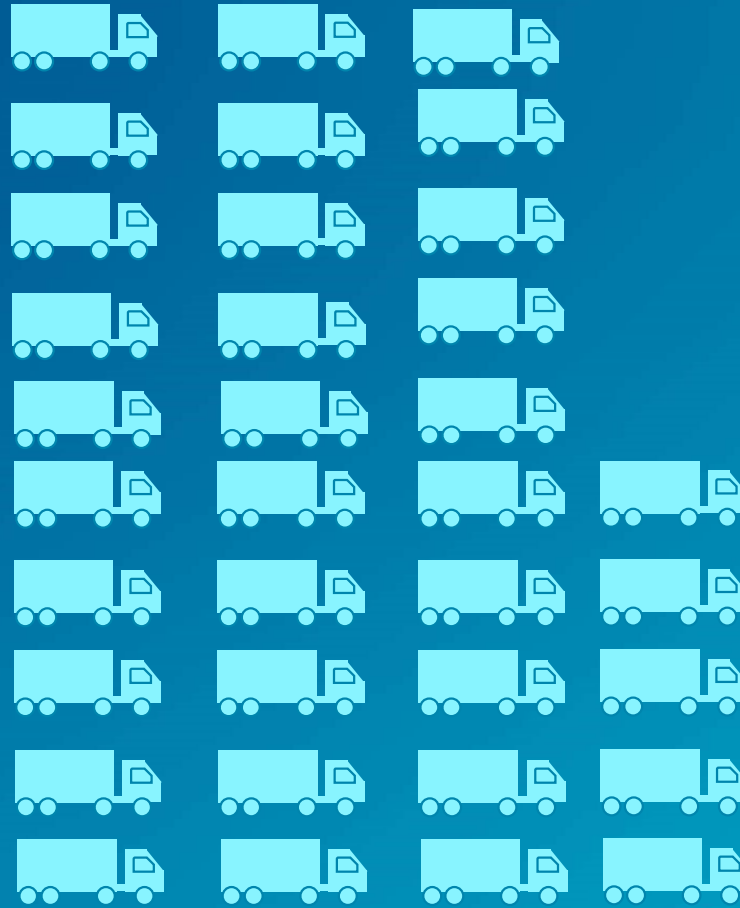
Rail Investment Summary: 2018 - 2023



Of Rail Cost from
Private Investment

 /  = 2,000 units

**Carloads:
20,000**



**Trucks:
70,000**

Performance Commitment: 2018-2023

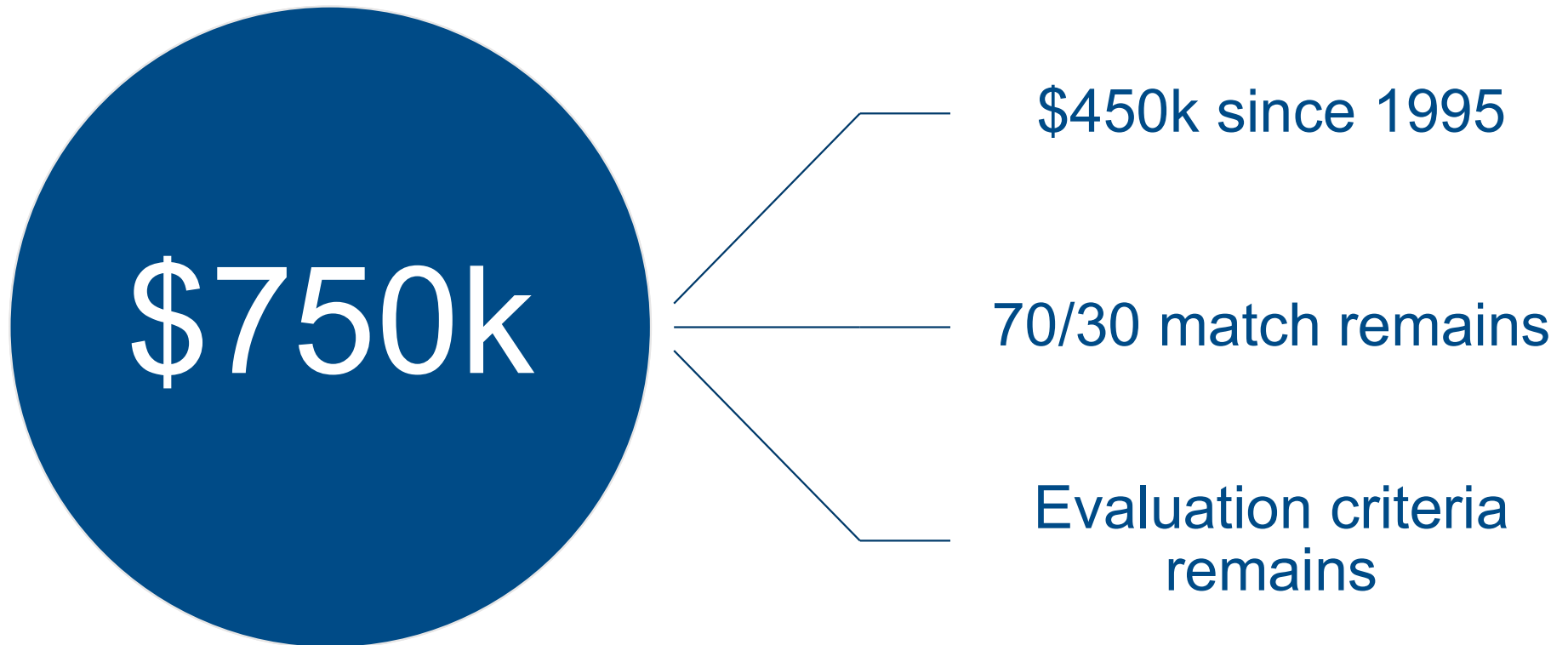
VEDP Partnership

- Projects often brought to DRPT through VEDP as economic development prospect with competitive project
- RIA included in VEDP incentives package presented to company, along with other “deal closing” grants

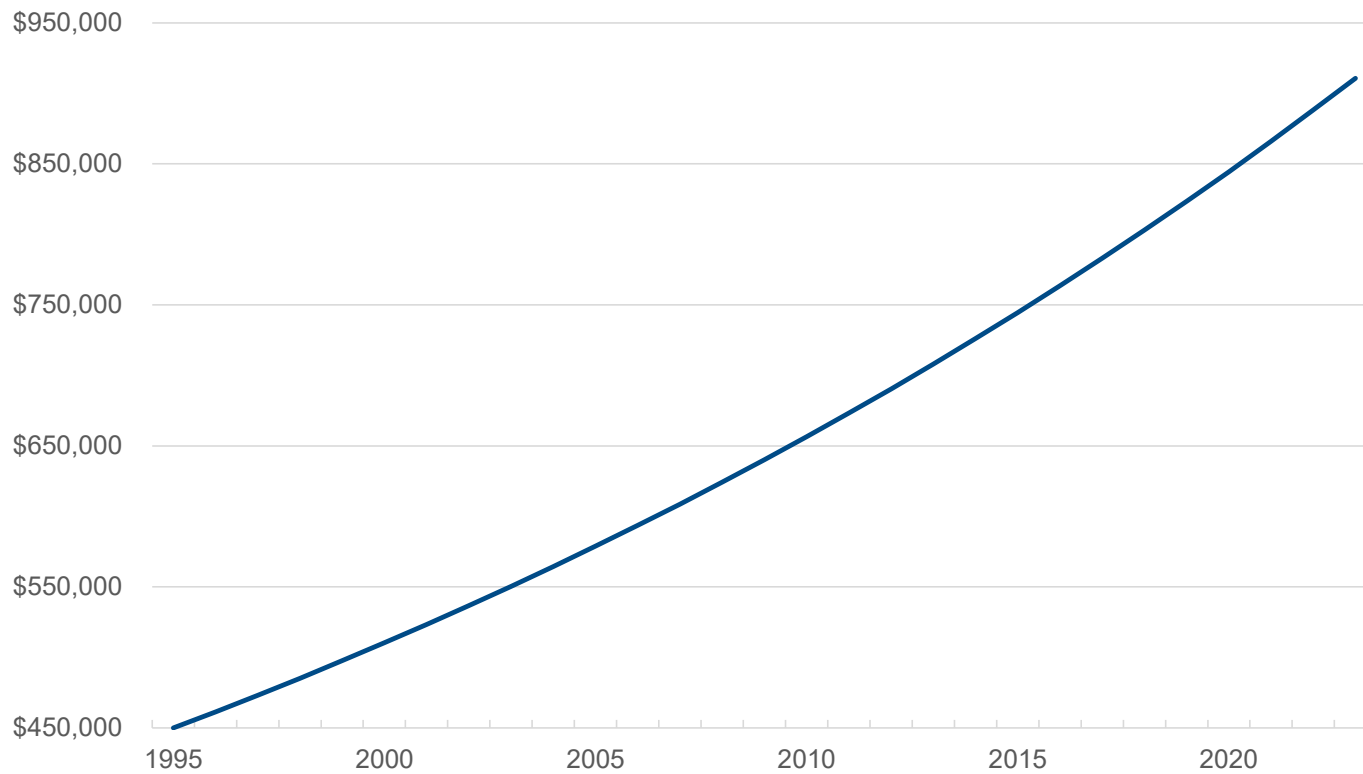


Recommendation

Request Increase to Project Maximum



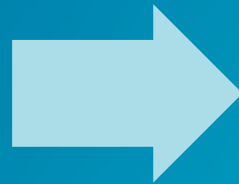
Costs Doubled Due to Inflation





Today

- Consideration and Discussion



Next Month

- Resolution of Adoption