



## MEMORANDUM

**To:** Members of the Rappahannock-Rapidan Regional Commission  
**From:** Patrick L. Mauney, Executive Director  
**Date:** April 17, 2023  
**Subject:** Regional Transportation Districts & Authorities in Virginia

In February, Commissioner Underwood raised the subject of regional transportation funding and regional transportation districts. In follow-up, staff pulled together some general information regarding transportation districts and authorities in Virginia for reference attached to this memo. These include links to the relevant Code of Virginia chapter and sections, brief background document on the Central Virginia Transportation Authority, which was approved by General Assembly action in 2020 and is the most recently created general transportation authority in Virginia.

Code of Virginia [Chapter 19. Transportation District Act of 1964](#)  
Articles & Sections (see attachment)

The process for creating a multi-jurisdictional transportation district is prescribed in [§ 33.2-1903](#). However, if a purpose of such a district is to create a mechanism to capture motor vehicles fuel sales tax for greater oversight of transportation investments, additional General Assembly actions would be required.

Motor Vehicle Fuel Sales Tax - [§ 58.1-2291](#)

Staff has included this as an item on the draft FY 2024 Rural Transportation Work Program, should the Commission wish to continue discussion of the subject and/or request additional materials.

**REQUESTED ACTION:** None requested. Commission direction, if any, can occur in April or at a future meeting.

**Chapter 19.**  
**Transportation District Act of 1964**  
**Read Chapter**

- **Article 1.**  
**General Provisions**  
[Read all](#)
  - [§ 33.2-1900](#)  
Declaration of policy
  - [§ 33.2-1901](#)  
Definitions
  - [§ 33.2-1902](#)  
Authorization to issue summons
  
- **Article 2.**  
**Creation of Districts**  
[Read all](#)
  - [§ 33.2-1903](#)  
Procedure for creation of districts
  - [§ 33.2-1904](#)  
Northern Virginia Transportation District and Commission
  
- **Article 3.**  
**Incorporation of District; Creation, Organization, Etc., of Commission**  
[Read all](#)
  - [§ 33.2-1905](#)  
District a body corporate
  - [§ 33.2-1906](#)  
Creation of commission to control corporation
  - [§ 33.2-1907](#)  
Members of transportation commissions
  - [§ 33.2-1908](#)  
Officers of commission
  - [§ 33.2-1909](#)  
Bonds of members
  - [§ 33.2-1910](#)  
Compensation and expenses of members
  - [§ 33.2-1911](#)  
Meetings of commission
  - [§ 33.2-1912](#)  
Quorum and action by commission
  - [§ 33.2-1913](#)  
Funds of commission
  - [§ 33.2-1914](#)  
Accounts and records

- **Article 4.**  
**Powers and Functions of Commission**  
[Read all](#)
  - [§ 33.2-1915](#)  
Powers and functions generally
  - [§ 33.2-1916](#)  
Commission control of transportation district
  - [§ 33.2-1917](#)  
Protection of employees of public transportation systems
  - [§ 33.2-1918](#)  
Background checks of applicants and employees
  - [§ 33.2-1919](#)  
Additional powers
  
- **Article 5.**  
**Financing**  
[Read all](#)
  - [§ 33.2-1920](#)  
Authority to issue bonds and other obligations
  - [§ 33.2-1921](#)  
Judicial determination of validity of bonds
  
- **Article 6.**  
**Powers and Duties of Localities; Liability of Commonwealth and Localities**  
[Read all](#)
  - [§ 33.2-1922](#)  
Contracts and payment thereof
  - [§ 33.2-1923](#)  
Venue
  - [§ 33.2-1924](#)  
Acquisition of median strips for transit facilities in interstate highways
  - [§ 33.2-1925](#)  
Appropriations
  - [§ 33.2-1926](#)  
Powers granted are in addition to all other powers
  - [§ 33.2-1927](#)  
Liabilities of Commonwealth, counties, and cities
  
- **Article 7.**  
**Planning Process and Procedures**  
[Read all](#)
  - [§ 33.2-1928](#)  
Planning process
  - [§ 33.2-1929](#)  
Procedures
  
- **Article 8.**  
**Enlargement of Transportation Districts**  
[Read all](#)

- [§ 33.2-1930](#)  
Procedure for enlargement

- **Article 9.**  
**Withdrawal from Transportation District**  
[Read all](#)

- [§ 33.2-1931](#)  
Resolution or ordinance

- [§ 33.2-1932](#)  
Financial obligations

- **Article 10.**  
**Exemption from Taxation; Tort Liability**  
[Read all](#)

- [§ 33.2-1933](#)  
Public purpose; exemption from taxation

- [§ 33.2-1934](#)  
Liability for torts

- **Article 11.**  
**Construction of Chapter**  
[Read all](#)

- [§ 33.2-1935](#)  
Liberal construction

- [§ 33.2-1936](#)  
Transportation districts with unique needs

## **Evolution of Statewide Transportation Spending in Virginia**

Traditional Funding Mechanisms: Historically, major transportation projects have been funded through partnerships between the federal government, state departments of transportation, and local governments. It has long been the practice, through federal legislation, for the deliberation of regional transportation needs through the establishment of Metropolitan Planning Organizations, and in Virginia, Planning District Commissions. The Richmond Regional Transportation Planning Organization manages the evaluation of projects and distribution of regional funding to our member organizations and this practice helps advance needed infrastructure across the region. The amount of funding available has always been well short of the demand for improvements.

Smart Scale: The foundation of the Smart Scale program was built through the 2014 General Assembly. It established comprehensive requirements for an objective and quantifiable process for project evaluation and allocation of construction funds. The process was adopted by the Commonwealth Transportation Board in 2015 and includes evaluation of projects' merits in congestion mitigation, economic development, accessibility, safety, environmental quality, and land use.

Virginia Regional Authorities: Following the success of Smart Scale, Virginia regions realized the utility in providing local funds to both overcome continued transportation funding shortages and to leverage Smart Scale and other funding opportunities with local dollars. In 2014, the General Assembly created regional transportation authorities in Northern Virginia and Hampton Roads – each started to adopt similar processes to evaluate regionally significant projects, prioritize funding needs, and generate dedicated revenues for transportation projects. In addition, the 2019 General Assembly created the I-81 Authority, which provides a dedicated source of funding for projects that benefit a specific area delineated along the I-81 corridor in western Virginia.

Central Virginia Transportation Authority: At the 2020 General Assembly, legislation was adopted that created the Central Virginia Transportation Authority (CVTA), allowing the Richmond region to begin collection of tax revenues for the sole purpose of meeting transportation needs of the region. PlanRVA, recently rebranded from the Richmond Regional Planning District Commission, is celebrating its 50<sup>th</sup> anniversary in 2020 and it is fitting that in this anniversary year, the tools are now available to move the region from not just planning and prioritizing needs but having the tools to see those projects engineered and constructed.

## **Regional transportation issues**

Context: Transportation needs can be unique to geographic area, and the CVTA is created specifically for the needs of central Virginia. The CVTA is responsible for the region encompassed by Planning District 15, or PlanRVA, and is comprised of the Town of Ashland, the Counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan, and the City of Richmond.

1. *Safety & Accessibility:* Residents and visitors of the Richmond region need safe and accessible transportation options, ranging from well-planned and functioning interstate interchanges to neighborhood streets and intersections that recognize the importance of all modes of travel.
2. *Maintenance & Capacity:* The regional transportation network encompasses roughly 5,700 lane miles of roadway (not including minor collectors and local roads) and the level of service of these corridors typically functions at a stable level. Some corridors do experience high traffic volumes at peak times and those flows need to be addressed to positively impact travel patterns. The region has a great need for continued maintenance and operation of the current travel network across all modes.

## Central Virginia Transportation Authority Background and Introduction

Maintenance and operations needs typically come off the top of current funding mechanisms.

3. *Transit:* Transit demand is growing around the region. Access to jobs, meeting the mobility needs of the community and providing opportunities for residents are all needs to address. A long-term regional plan for transit will be developed that identifies regional transit priorities and informs the authority of the highest needs for the region.
4. *Local service:* Even before the onset of COVID-19, local government bodies in the region had massive backlogs of transportation projects that were years away from construction. As residents' travel needs evolve, more and more demands are placed on boards and councils to provide multimodal options for travel between home, work, and school.

### **Central Virginia Transportation Authority**

Shaping Our Own Future: The creation of the CVTA allows the nine jurisdiction members of PlanRVA to plot their own course and have more ownership in transportation investments in central Virginia.

Funding Partner: The presence of the Authority will provide a resource for member governments and agencies that previously did not exist. A new partner that can leverage resources for competitive funding opportunities will help central Virginia compete on a larger scale.

Stability for Future Needs: Much like the future-forward planning work that occurs through PlanRVA, the CVTA will allow the region to look to the future, knowing that there is a stable foundation of financial resources to support investments in the region.

Funding Sources & Requirements: The Authority will administer transportation funding generated through the imposition of additional regional taxes:

1. Sales and Use tax of 0.7 percent (revenue collection begins October 2020)
2. Wholesale gas tax of 7.6 cents per gallon of gasoline and 7.7 cents per gallon of diesel fuel (revenue collection begins July 2020). The gas tax rates are indexed for inflation.

Transit: Local maintenance of effort for transit funding is required to be at least 50 percent of what was provided on July 1, 2020, with such amount to be indexed beginning in 2023.

### **CVTA Functions & Powers**

1. Transit Governance Report – The Authority is directed to review the governance structure of existing transit service in the Richmond region, and evaluate the possibility of creating a transportation district, and report its findings by December 1, 2020 to the Governor and the General Assembly
2. Development of a Regional Prioritization Process for project selection pertaining to the regional apportionment of revenues (35%)
3. Development of a Regional Public Transportation Plan that annually prioritizes regional transit projects and spending needs (15%)
4. Oversee the distribution of member locality revenues (50%)
5. Issue bonds as needed for project development and construction

# Central Virginia Transportation Authority



August 27, 2020

# Central Virginia Transportation Authority

## Code of Virginia Section 33.2-3700 – 3713

Effective July 1, 2020

### **§ 33.2-3701. Central Virginia Transportation Fund.**

A. There is hereby created in the state treasury a special nonreverting fund for Planning District 15 to be known as the Central Virginia Transportation Fund. The Fund shall be established on the books of the Comptroller. All revenues dedicated to the Fund pursuant to § 58.1-638 and Chapter 22.1 (§ 58.1-2291 et seq.) of Title 58.1 shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. The moneys deposited in the Fund shall be used solely for **(i) transportation purposes benefiting the localities comprising Planning District 15 and (ii) administrative and operating expenses as specified in subsection B of § 33.2-3706.**

### **§ 33.2-3702. Central Virginia Transportation Authority created.**

The Central Virginia Transportation Authority is hereby created as a body politic and as a political subdivision of the Commonwealth. The Authority shall embrace each county, city, and town located in Planning District 15, which is established pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2.



# CVTA Legislation – Key Provisions

- Legislation creating the Authority and the Fund made certain amendments to the state tax laws to provide for new tax revenue collection and distribution (§ 58.1-603.1, -604.01, -604.1, -614, -2295, -2299.20):
  - Additional sales and use tax – 0.7 percent (effective October 1, 2020)
  - Additional tax of 7.6 cents per gallon on gasoline and gasohol
  - Additional tax of 7.7 cents per gallon on diesel fuel
- Moneys deposited shall be used solely for:
  - Transportation purposes benefiting Planning District 15/member jurisdictions
  - Administrative and operating expenses
- After administrative and operating expenses, revenues shall be allocated to transportation projects consistent with the legislation.

# CVTA Legislation – Key Provisions

## **CVTA Authority: Fund Distribution and Oversight**

1. Prioritize and select regional transportation projects to be funded with **35%** of revenues retained by CVTA. Projects must benefit Planning District 15/member jurisdictions
2. Oversee **50%** of funding returned, proportionally, to each Planning District 15 locality to be used to improve mobility, which may include construction, maintenance, or expansion of roads, sidewalks, trails, mobility services, or transit located in the locality
3. Approve GRTC annual plan for projects funded by **15%** of fund revenues distributed to GRTC for transit and mobility services/projects.
4. Also, the CVTA can issue **bonds and finance debt** via future tax revenues to be received.

# CVTA - Membership

## **12 Voting Members – Planning District 15**

- Charles City County
- Chesterfield County
- Hanover County
- Henrico County
- Goochland County
- New Kent County
- Powhatan County
- Town of Ashland
- 1 Member of the House of Delegates from within Planning District 15
- 1 Member of the Senate from within Planning District 15
- 1 Member of the Commonwealth Transportation Board residing within Planning District 15

## **4 Non-Voting Members:**

- Director of the Virginia Department of Rail and Public Transportation
- Commission of Highways/VDOT
- CEO of Greater Richmond Transit Company (GRTC)
- CEO of Richmond Metropolitan Transportation Authority

# CVTA Governance - Voting Structure

See CVTA Act, § 33.2-3705 of the Code of Virginia and Article IV, Section K in CVTA Bylaws:

**Voting.** Votes shall be taken only upon motions made and seconded. All voting shall be taken by voice or by roll call if requested by any voting Member (or any designee attending pursuant to Article II, section B, of the Bylaws).

1. Votes of the chief elected officers of localities or their designees, appointed to the Authority shall be weighted, based upon the population of the locality, as follows:
  - a. A vote cast by each member representing the Counties of Chesterfield and Henrico and the City of Richmond shall each constitute four (4) votes.
  - b. A vote cast by the member representing the County of Hanover shall constitute three (3) votes.
  - c. A vote cast by each member representing the Counties of Goochland, New Kent and Powhatan shall each constitute two (2) votes.
  - d. A vote cast by each member representing the Town of Ashland and the County of Charles City shall each constitute one (1) vote.
2. The Delegate, the Senator, and the member of the Commonwealth Transportation Board appointed to the Authority shall each receive one (1) vote.
  - For the purposes of this section, each voting Member of the Authority refers to the Member or, if a Member has a designee attending pursuant to Article II, section B, then to that Member's designee. Each voting Member of the Authority shall vote once in all matters requiring action by the Authority and those votes shall be weighted as described in K.1.
  - Decisions of the Authority shall require an affirmative vote of those present and voting whose votes represent at least four-fifths of the population embraced by the Authority; however, no motion to fund a specific facility or service shall fail because of this population criterion if such facility or service is not located or to be located or provided or to be provided within the county or city whose chief elected officer's or elected official's, or its respective designee's, sole negative vote caused the facility or service to fail to meet the population criterion.
  - **PlanRVA staff have developed an Excel spreadsheet tool to calculate voting results based upon the criteria in paragraphs 1 and 2 above.**

# CVTA Governance Documents

- Legislation:
  - Virginia Acts of Assembly, Chapter 1235, enacting...
  - Code of Virginia §§ 33.2-3700 – 3713 and...
  - Certain Virginia Tax Code Provisions establishing taxes and revenue flow
- Bylaws – Draft proposed for adoption today.
  - Comply with CVTA Act. (Va. Code § 33.2-3708.A.4)
  - Meeting procedures, voting, CVTA officers, committees, amendment process.
- Guidance Documents – Draft proposed for adoption today.
  - Memorialize rules for meetings conducted by electronic communications means, in compliance with FOIA and recent legislation responding to Covid-19 and state of emergency declarations.
  - Allows for flexibility if applicable laws are amended.
- *Robert's Rules of Order, Newly Revised* – Standard parliamentary procedures.

# CVTA – FOIA and COIA

- **CVTA is a public body.** The Virginia Freedom of Information Act applies and covers both CVTA meetings and public records.
- State and Local Government Conflict of Interests Act applies to CVTA members and designees.
  - Statements of Personal Interests filed by local government body members and designees will suffice (Va. Code § 2.2-3118.1).