



RESOLUTION #2465

SUBJECT: Authorize VRE Staff to Advance Public Bond Issuance Backed by the Commuter Rail Operating and Capital (C-ROC) Fund

WHEREAS: In March 2021 VRE entered into an Agreement for Passenger Rail Improvements and Funding (“Funding Agreement”) with the Virginia Department of Rail and Public Transportation, which was subsequently assigned to the Virginia Passenger Rail Authority;

WHEREAS: The Funding Agreement includes provisions for the Commissions to fund a portion of the Planned Improvements of the Transforming Rail in Virginia Program, as well as the purchase of real property for right-of-way acquired by the Commonwealth;

WHEREAS: The Commissions will utilize Commuter Rail Operating and Capital funds for both a debt issuance and on a pay-as-you-go basis as the source of the funding commitment;

WHEREAS: In September 2021 the Commissions approved updated and amended Financial and Debt Management Principles for VRE to guide the issuance of debt backed by the Commuter Rail Operating and Capital Fund;

WHEREAS: A financing analysis conducted by VRE’s financial advisor has determined that a public bond issuance is the most advantageous option for issuing this debt in accordance with the Funding Agreement, and that an investment grade credit rating would be expected from the major credit rating agencies for such debt; and

WHEREAS: The VRE Operations Board recommends the following action.

NOW, THEREFORE, BE IT RESOLVED that the Northern Virginia Transportation Commission hereby authorizes VRE staff to advance a public bond issuance backed by the Commuter Rail Operating and Capital Fund including selection of an underwriter and a trustee, completion of required legal due diligence, formal engagement with the credit rating agencies, and to return to the Operations Board and the Commissions in the second half of FY 2022 for approval of final bond documents and a final authorization to proceed to sale and issuance of the bonds.

Approved this 2nd day of December 2021.

A handwritten signature in black ink that reads "Katie Cristol".

Katie Cristol
Chair

A handwritten signature in purple ink that reads "Dalia Palchik".

Dalia Palchik
Secretary-Treasurer