Agenda Item 10-C
Information Item

To: Chairman Skinner and the VRE Operations Board

From: Rich Dalton

Date: November 20, 2020

Re: Update: Recommend Authorization to Execute an Agreement for Design, Construction, Operation, and Maintenance of a Parking Garage at the VRE Manassas Park Station.

At the October 16, 2020, VRE Operations Board meeting the Operations Board recommended to the Commissions authorization to execute an agreement for design, construction, operation, and maintenance of a parking garage at the VRE Manassas Park Station – Resolution 9C-10-2020. At that time, VRE and City staff were working through final contract language in preparation for authorization of the final agreement by the Commissions at their November 5, 2020, meeting. The final contract language was not finalized in time for the Commission meetings and the resolution was removed from both Commissions agenda.

VRE and City staff have worked collaboratively to address the City’s request to have the ability to reacquire the Garage Parcel used for the construction of the parking garage in the event VRE service at the Manassas Park Station was discontinued. VRE and City staff are proposing a ground lease of the Garage Parcel, and other requirements of the City, in the event VRE service was discontinued. The Section of the Agreement addressing this issue is below:

Section 2 Garage Parcel
a. The City and the VRE will enter into a ground lease for the Garage Parcel, whereby the VRE will lease the Garage Parcel for the purposes of constructing, operating and maintaining the Garage. The term of such ground lease will continue for as long as the VRE uses the Garage for commuter rail patron parking. The ground lease must be fully executed prior to issuance by the VRE of a competitive solicitation for construction of the Garage.
b. The ground lease for the Garage Parcel will include a provision that, if the VRE either (i) determines that it no longer requires use of the Garage Parcel for commuter rail patron parking and provides written notice to the City of the same, or (ii) the VRE does not use the Garage for commuter rail patron parking for a period of one year, then the ground lease will terminate and the City will acquire ownership of all improvements constructed on the Garage Parcel, including the Garage, at no additional cost, subject to the requirement that the City will thereafter use the Garage in accordance with the conditions imposed by the grant funding entities that provided funds to design and construct the Garage.

Prior to soliciting for construction of the parking garage, staff will bring to the VRE Operations Board a recommendation to the Commissions to authorize a ground lease with the City of Manassas Park as identified in Section 2a.

Unless otherwise directed, VRE staff will bring the final agreement to both Commissions for approval at their December 3, 2020, meetings.