

VIRGINIA INLAND PORT STUDY

Q2 2025 GENERAL ASSEMBLY UPDATE

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VIRGINIA PORT AUTHORITY
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SUPPORTING DOCUMENTATION

[Report of the Virginia Economic Development Partnership Authority and Virginia Port Authority. \(2023\). Inland Port Study: Feasibility Analysis of Locating an Inland Port in the Commonwealth \(2022 Appropriation Act, Item 125.Q.\)](#)

[Virginia Inland Port Study Q4 2023 General Assembly Update – December 1, 2023](#)

[Virginia Inland Port Study Q1 2024 General Assembly Update – March 1, 2024](#)

[Virginia Inland Port Study Q2 2024 General Assembly Update – June 1, 2024](#)

[Virginia Inland Port Study Q3 2024 General Assembly Update – Sept 1, 2024](#)

[Virginia Inland Port Study Q4 2024 General Assembly Update – Dec 1, 2024](#)

[Virginia Inland Port Study Q1 2025 General Assembly Update – Mar 3, 2025](#)

I. EXECUTIVE SUMMARY

This is the seventh update in accordance with the Biennial Budget (HB 6001 from the 2023 Special Session I), Item 113 T.4.

This document provides an update to ongoing work associated with the potential for a new inland port facility in the Mount Rogers Planning District and related next steps, for which the Commonwealth allocated additional funds in the FY2025-FY2026 budget to pursue further development.

Readers of this update are encouraged to familiarize themselves with the project's intent by reviewing the initial Inland Port Study ("Inland Port Study: Feasibility Analysis of Locating an Inland Port in the Commonwealth") which was jointly released with the Virginia Economic Development Partnership [VEDP] and previous updates, the most recent of which was released in March 2025.

This seventh update:

- Focuses on work accomplished over the most recent past three months, through June 1, 2025.
- Provides information regarding concept development and related efforts.
- Outlines efforts planned for the remainder of calendar year 2025.

II. PROGRESS TO DATE

As presented in previous reports, the Virginia Port Authority's (VPA) efforts in 2025 aim to develop a more comprehensive business case for the inland port. This includes additional design refinement of the facility to better estimate project costs and conducting an economic impact analysis, both of which will support the Commonwealth's decision-making on whether or not to proceed with future development.

Engineering-related efforts to date (internal VPA Engineering supported by hired outside expertise) have focused on securing the necessary right-of-entry agreements to adjacent private properties, initiating collection of additional field data needed to advance infrastructure design, refining the site layout, and advancing the temporary and permanent drainage designs. As the additional field data becomes available, the designs for key infrastructure cost drivers (e.g. pavement sections, retaining walls, stabilized slopes, etc.) will be developed.

Selection of the economic impact study consultant is in progress, with substantial completion of the study targeted for the end of August.

Collectively, these efforts intend to provide the Commonwealth with an overall picture of the development costs needed to realize the new facility, expected commercial activity generated by existing industries within its service area, and the value of future industries that may be attracted to the service area because of the inland port.

A. RIGHT-OF-ENTRY AND FIELD INVESTIGATIONS

A broader program of field investigations (geotechnical investigations, topographic surveys, and wetland assessments) within and outside the proposed site is underway to support detailed design and future permitting efforts. Over the past three months, right-of-entry agreements were executed with existing businesses at Oak Park Industrial Park and with Norfolk Southern. Washington County also distributed notifications to nearby residents to support these activities outside the project site. It is anticipated that this work will continue through the summer.

B. DESIGN REFINEMENT

The VPA Design Team continues to refine the design to confirm and clarify its expected construction cost and position the project for regulatory permitting and eventual procurement should the project move forward.

Design refinements reflect a continuation of Q1 efforts to design a comprehensive drainage plan that complies with Virginia stormwater regulations and has now extended to developing the interim erosion and sediment control plans needed for its construction.

Additionally, work is underway to:

- Verify the truck gate capacity with a traffic queuing model
- Further optimize the rail lead geometry
- Develop a more detailed building program with terminal operations representatives

- Update the facility layout to accommodate the new building footprints and improve site utilization for cargo operations
- Verify on-terminal routes can accommodate truck-turning movements.

C. ECONOMIC IMPACT STUDY

The VPA issued a request for proposals to conduct an economic impact study for the proposed inland port. The consultant selection process is underway with an anticipated award date of early June, which will allow for substantial completion of the study by end of August.

III. DEVELOPMENT LOOKAHEAD

As was reported in the Q1 2025 update, engineering and business case development remain the focus of efforts in 2025.

Engineering work will advance to a 60% design stage to strengthen cost projections and enhance planning accuracy for the proposed inland port. Reaching this design milestone will provide essential details on construction sequence, material requirements, and potential property impacts, all of which are necessary for improving the confidence of the project budget.

With a refined understanding of these technical requirements, VPA will be better equipped to evaluate the financial resources required and make data-driven, analytically grounded decisions regarding the project's feasibility and funding strategies. Achieving 60% design will also create a stronger basis for coordinating with regulatory bodies and stakeholders, setting a clear path for any remaining design, permitting, and environmental assessments.

Commercial analyses will be expanded to better understand the economic potential of the inland port and its potential impact on regional trade and development. Continued outreach to the potential existing customers is planned to monitor their outlook in context to the ongoing dynamic economic conditions.

In addition, the comprehensive economic impact study will be performed to provide a detailed analysis regarding job creation, potential to increase further investment in the region, and local and state tax impacts.

By aligning a more detailed economic forecast with technical planning, VPA and its partners will have a comprehensive foundation for understanding the inland port's broader value to the state and region, ultimately enabling informed decision-making on this transformative project.

The VPA will also undertake preparation of an Environmental Impact Report [EIR] in compliance with Code of Virginia § 10.1-1188 in the second half of 2025.

The VPA anticipates that the update for Calendar Q3 (September 2025) will report the completion of 60% design and comprehensive economic impact study, updated opinion of probable cost, and anticipated schedule for project delivery, as well as provide a progress update on the EIR and other permit agency interactions. The Q3 update will inform funding decisions for construction of the facility should the project continue to advance.