FEDERAL RAILROAD ADMINISTRATION FY 2022 RAILROAD CROSSING ELIMINATION GRANT PROGRAM AWARDS

Overview

On June 6, 2023, the Federal Railroad Administration (FRA) <u>announced</u> the first round of awards for the new Railroad Crossing Elimination (RCE) Program. This program was created by the Infrastructure Investments and Jobs Act (IIJA). In FY 2022, \$600 million in funding was appropriated for RCE, of which \$14.7 million was directed to special transportation circumstances and \$12 million was allocated for program management, leaving just over \$573 million for competitive awards to projects. Though RCE funds can go into private infrastructure, the applications must be made by public entities. Of the 63 projects that received funding, 31 were for construction and 32 for studies, planning or design. Ten projects involved Class II or III railroads. These received \$72 million in grant funding, \$68 million of which went to 3 capital projects, with the balance of \$3.7 million going to planning.

Capital Project Awards Involving Short Lines				
Capital Project Name	Railroad Involved	Grant Amount	Total Cost	Match Rate
Broward County Sealed Corridor Project	Florida East Coast Railway	\$15.4m	\$19.3m	20%
Redevelopment Authority of the County of Berks Project to Upgrade and Refurbish At-Grade Crossings and Bridges	Colebrookdale Railroad	\$16.1m	\$20.1m	20%
West Belt Improvement Project (Phase 1)	Houston Belt & Terminal Railroad	\$36.9m	\$46.2m	20%
Total		\$68.4m		

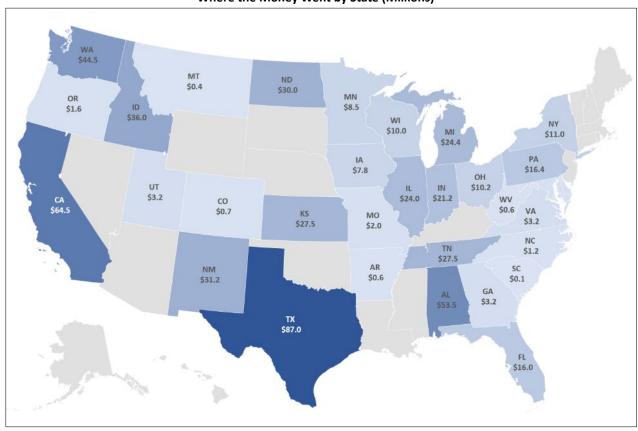
Planning Project Awards Involving Short Lines				
Planning Project Name	Railroad Involved	Grant Amount	Total Cost	Match Rate
Building BRIDGES Planning Study - West Palm Beach Florida East Coast Rail Corridor Safety Action Plan	Florida East Coast Railway	\$320K	\$400K	20%
Central Eastside Railroad Crossing Study	Portland and Western Railroad	\$500K	\$649K	23%
City of Fort Lauderdale Railroad Safety and Congestion Analysis	Florida East Coast Railway	\$280K	\$350K	20%
Comprehensive planning study to eliminate two atgrade highway-rail crossings on US 34	Great Western Railway of Colorado	\$700K	\$897K	22%
Durham Rail-crossing Engagement, Planning, And Innovative Revitalization (Durham REPAIR)	North Carolina Railroad Company	\$1.2m	\$1.5m	20%
Northwest Arkansas Rail Corridor Safety Study	Arkansas and Missouri Railroad	\$576K	\$720K	20%

The Florence Railroad Crossing Safety Improvement	South Carolina	\$60K	\$75K	20%
Planning Project	Central Railroad			
Total		\$3.7m		

In 2022, \$18 million was set aside for planning projects, of which \$4.5 million was to be made available for projects in rural areas or on tribal lands. Much larger was the overall rural or tribal set-aside, of \$114.7 million (20%), with at least 5%, or \$5.7 million, supposed to go to projects in counties with 20 or fewer residents per square mile. This target was exceeded at \$119 million. Another \$1.5 million was to be made available for grants to carry out highway-rail grade crossing safety information and education programs.

Comparative Metrics – Short Line vs. Non-Short Line Awards					
Туре	Recipient	Awarded	Min	Average	Max
Capital Project Awards	Short Line (SL)	\$68.4m	\$15.4m	\$22.8m	\$36.9m
	Non-SL	\$454.2m	\$1.1m	\$17.1m	\$41.8m
Capital Project Match	SL		20%	20%	20%
	Non-SL		20%	32%	87%
Planning Project Awards	SL	\$3.7m	\$60k	\$522k	\$1.2m
	Non-SL	\$44.8m	\$76k	\$1.8m	\$8.0m
Planning Project Match	SL		20%	21%	23%
	Non-SL		20%	26%	70%
Total Awarded	•	\$571.1m		•	

Where the Money Went by State (Millions)



Next steps and items to consider in future cycles

FRA intends to open the next round of the RCE program in September or October of 2023 and announce awards by June or July of 2024. \$635 million in FY 2023 funding will be available.

Excepting one of the awards involving short lines this year, other carriers were involved in operations in all the project study or construction areas, including Class I railroads, commuter rail transit and intercity passenger rail operators. Notably, crossing projects on the Florida East Coast Railway (FEC) right-of-way were the target of three grants. FEC is both a busy regional freight railroad serving the Port of Miami and host to Brightline intercity passenger rail service. Brightline is significantly increasing service frequency and expanding service from Miami - West Palm Beach to Orlando in 2023. There has been significant community interest in mitigating grade crossing conflicts associated with existing and expanded Brightline service. Applicants should consider the first objective in the program evaluation criteria is safety. The road and rail traffic volumes at a crossing and the accident and fatality history and projected risk, such as calculated in the agency's WBAPs system, are important factors for the relative risk at a crossing compared to potentially competing projects. A benefit-cost analysis (BCA) is not required for RCE applications. FRA does have a free online tool, GradeDec.NET, that is designed to facilitate BCA preparation for crossing projects.

One target of the funding, tribes, does not appear to have been addressed in the first round of awards. Applications in subsequent cycles solving problems at crossings on tribal lands may have a competitive advantage. Tribes are often extremely resource constrained and railroads partnering with tribes should be prepared to take a very proactive role to support the application process. As FRA seeks to make awards with "geographic equity," projects in states that did not receive any funding in this first round may be more competitive.

The projects funded under RCE remain eligible for funding through other U.S. DOT programs including CRISI, INFRA, RAISE and Federal-State Partnership for Intercity Passenger Rail. FRA has recently expressed interest in trying to target awards to the programs that are most focused on funding those project types. For example, short line freight awards in CRISI, grade crossing project awards in RCE, and intercity passenger awards in Federal-State Partnership. Applicants should keep in mind that funds that are not applied for from a specific DOT program cannot be won, even when a proposed project is eligible under multiple grant programs.

Summary prepared by Richard Sherman of ASLRRA (rsherman@aslrra.org) on June 5, 2023.