

**2019-2021
Freight Rail Investment Bank (FRIB)
and
Freight Rail Assistance Program (FRAP)
Progress Report**

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WSDOT Freight Rail Grant and Loan Programs – 2019 Progress Report

Purpose of this report

Engrossed Substitute House Bill (ESHB) 1160 Section 310 (2) calls for WSDOT to “...report annually to the transportation committees of the Legislature and the office of financial management on all Freight Rail Investment Bank (FRIB) loans issued.”

Section 310 (11) calls for the Washington State Department of Transportation (WSDOT) to “...report to the joint transportation committee on the progress made on freight rail investment bank projects (FRIB) and freight rail assistance projects (FRAP) funded during this biennium by January 1, 2020.”

This report combines the two requirements into a single report with distinct sections for FRIB and FRAP.

ESHB 1160 Section 310 (2) - Freight Rail Investment Bank (FRIB)

FRIB loans provide funds to build new or improve existing rail infrastructure across the state. The program is administered by WSDOT and loans are only available to the public sector.¹ Since 50% of the short-line railroads in Washington state are publicly owned by cities, counties, port districts, and the state, these loans are available to public entities. These short-line railroads support rural economies by providing cost effective freight transportation options. Some of the largest industries in the state, including the agriculture and timber industries, rely heavily on rail in their supply chains.

In accordance with the legislative budget proviso, FRIB projects are charged interest to recover the costs of managing the loan collection process. The projects are charged one percent simple interest, which is assessed on the total amount of the loan. The repayment periods currently are for no more than ten years, although loans made earlier in the program had 15-year repayment schedules. All loan recipients are current on their loan repayments as of December 1, 2019.

A total of 37 FRIB loans have been awarded since the program’s inception in 2007. Exhibit 1 outlines the history of the FRIB program.

Exhibit 1: FRIB program history

FRIB program history		
Biennium	Number of Projects Funded	Funding Amount
2007-2009	4	\$2,500,000
2009-2011	2	\$1,310,000
2011-2013	9	\$5,180,000
2013-2015	10	\$7,332,274
2015-2017	7	\$3,312,242
2017-2019	1	\$5,000,000
2019-2021	4	\$7,047,000
TOTAL		\$31,681,516

¹ Article VIII, Section 5, of the state’s Constitution prohibits the state’s credit from being given or loaned to any individual, association, company, or corporation.

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The FRIB repayment schedule for calendar year 2019, with receivables of approximately \$1.46 million, is found in Exhibit 2.

Exhibit 2: Status of FRIB loan repayments

Status of FRIB loan repayments							
Pin #	Borrower	Term (Years)	Payment Start Date	Original Loan Total	Remaining Loan Balance*	Annual Scheduled Payment	Next Payment Due
F01000A	Port of Benton	15	07/01/09	\$250,000	\$66,667	\$16,667	07/01/20
F01000A	City of Tacoma	15	07/01/10	\$26,386	\$8,795	\$1,759	07/01/20
F01000A	City of Tacoma	15	07/01/11	\$249,452	\$99,781	\$16,630	07/01/20
F01000A	Port of Everett	15	07/01/09	\$250,000	\$66,667	\$16,667	07/01/20
722810A	Port of Everett	10	07/01/13	\$1,165,321	\$371,591	\$123,864	07/01/20
711010C	City of Tacoma	10	05/01/13	\$450,000	\$135,000	\$45,000	05/01/20
711010D	City of Tacoma	10	06/01/13	\$612,000	\$183,600	\$61,200	06/01/20
L2200082	City of Tacoma	10	07/01/13	\$348,591	\$104,577	\$34,859	07/01/20
727015A	Port of Vancouver	10	07/01/13	\$103,770	\$31,131	\$10,377	07/01/20
L2000053	Spokane County	10	07/01/13	\$180,000	\$54,000	\$18,000	07/01/20
L2200081	City of Tacoma	10	05/01/14	\$347,320	\$138,928	\$34,732	05/01/20
L2200080	Port of Longview	10	07/01/14	\$465,605	\$186,242	\$46,560	07/01/20
L2200082	City of Tacoma	10	07/01/14	\$363,938	\$145,575	\$36,394	07/01/20
711010H	City of Tacoma	10	04/01/15	\$610,400	\$309,313	\$61,863	04/01/20
711010L	City of Tacoma	10	06/01/15	\$249,997	\$124,997	\$25,000	06/01/20
L1100064	Port of Everett	10	07/01/18	\$891,000	\$720,000	\$90,000	07/01/20
722812A	Port of Everett	10	07/01/18	\$902,598	\$729,372	\$91,172	07/01/20
F01000A	Port of Everett	10	07/01/18	\$1,336,500	\$1,080,000	\$135,000	07/01/20
711010M	City of Tacoma	10	05/01/16	\$362,723	\$219,832	\$36,639	05/01/20
711010K	City of Tacoma	10	08/01/16	\$765,339	\$463,842	\$77,307	08/01/20
711010I	City of Tacoma	10	09/01/16	\$1,094,023	\$663,035	\$110,506	09/01/20
711010J	City of Tacoma	10	06/01/16	\$510,631	\$309,462	\$51,577	06/01/20
727310B	Port of Walla Walla	10	07/01/16	\$247,500	\$149,956	\$24,993	07/01/20
L2220052	City of Richland	10	07/01/16	\$396,000	\$239,989	\$39,998	07/01/20
711010N	City of Tacoma	10	11/01/16	\$899,635	\$546,003	\$91,001	11/01/20
711010I	City of Tacoma	10	08/01/17	\$308,342	\$218,019	\$31,146	08/01/20
711010L	City of Tacoma	10	02/01/17	\$119,550	\$84,783	\$12,112	02/01/20
711010K	City of Tacoma	10	02/01/17	\$404,465	\$284,021	\$40,574	02/01/20
711011J	City of Tacoma	10	10/01/17	\$369,480	\$258,633	\$36,948	10/01/20
726810A	City of Tacoma	10	03/01/17	\$148,500	\$105,003	\$14,998	03/01/20
F01000A	Port of Whitman Cnty	10	07/01/17	\$280,523	\$198,386	\$28,341	07/01/20
722814A	Port of Everett	10	07/01/21	\$6,157,000	\$6,157,000	\$615,700	07/01/21
G2000064	Port of Everett	10	07/01/19	\$5,000,000	\$5,000,000	\$500,000	07/01/21
726821A	City of Tacoma	10	10/01/21	\$240,000	\$240,000	\$24,000	10/01/21
726811A	City of Tacoma	10	10/01/21	\$400,000	\$400,000	\$40,000	10/01/21
721410A	Port of Benton	10	07/01/21	\$250,000	\$250,000	\$25,000	07/01/21
TOTALS				\$14,709,589	\$8,297,200	\$1,461,881	n/a

*Remaining Loan Balance as of 12-1-19

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Exhibit 3 provides a status report on all FRIB projects that were awarded funding during the 2019-2021 biennium.

Exhibit 3: 2019-2021 FRIB project status

2019-2021 FRIB project status					
PIN	Project Title	Status of project	19-21 Awarded	19-21 Spending	19-21 Remaining
721410A	Port of Benton - Yakima & Berry Bridges & Jadwin Ave Xing	Agreement Signed	\$250,000	\$0	\$250,000
722814A	Port of Everett - South Terminal Modernization Project	In Construction	\$11,157,000	\$2,848,559	\$8,308,441
726811A	Tacoma Rail - Tote Yard Improvement	Agreement Signed	\$400,000	\$0	\$400,000
726821A	Tacoma Rail - Mazda Siding Upgrade	Agreement Signed	\$240,000	\$0	\$240,000
TOTAL			\$12,047,000	\$2,848,559	\$9,198,441

EHSB 1160 Section 310 (11) - Freight Rail Assistance Program (FRAP)

The Freight Rail Assistance Program (FRAP) is a grant program open to both publicly and privately owned railroads, rail shippers or receivers, and port districts with rail for purposes of rehabilitation, infrastructure preservation or economic development. This program is directed toward larger projects where it is difficult to gain a contribution and where the rail location or the project is of strategic importance to the local community and the state.

A total of 52 FRAP grants have been awarded since the program's inception in 2007. Exhibit 4 outlines the history of the FRAP program.

Exhibit 4: FRAP program history

FRAP program history		
Biennium	Number of Projects Funded	Funding Amount
2007-2009	6	\$3,200,000
2009-2011	7	\$2,800,000
2011-2013	6	\$3,070,000
2013-2015	5	\$3,950,000
2015-2017	7	\$2,750,000
2017-2019	11	\$7,040,000
2019-2021	10	\$7,661,050
TOTAL		\$30,471,050

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Exhibit 5 provides a status report on all FRAP projects that were awarded funding during the 2019-2021 biennium.

Exhibit 5: Status of 2019-21 FRAP projects

Status of 2019-21 FRAP projects					
PIN	Project Title	Status of project	19-21 Awarded	19-21 Spending	19-21 Remaining
700401A	SSPR- Marshall to Oaksdale Track Rehab	Agreement Not Executed	\$780,000	\$0	\$780,000
700602A	Washington Eastern - Track Rehab - MP11-24, 37-57	Agreement Not Executed	\$812,000	\$0	\$812,000
720201A	Columbia Walla Walla Railroad - Aggregate Hopper Cars	Agreement Not Executed	\$312,000	\$0	\$312,000
720311A	Port of Pend Oreille - Usk to Newport Track Rehab	In Construction	\$624,000	\$343	\$623,657
721410B	Port of Benton - Yakima & Berry Bridges & Jadwin Ave Xing	In Design	\$1,560,000	\$16,843	\$1,543,157
726813A	Tacoma Rail - Marine View Drive Track Rehab	In Design	\$1,144,000	\$4,378	\$1,139,622
741110A	Columbia Basin RR - Wheeler to Moses Lake Rehab	In Design	\$728,000	\$1,083	\$726,917
744210A	Puget Sound & Pacific Railroad - Hoquiam Bridge	Agreement Not Executed	\$874,000	\$278	\$873,722
750101A	Rainier Rail - Blakeslee to Chehalis Bridges	In Construction	\$458,000	\$45	\$457,955
757111A	Central Washington RR- Sunnyside to Granger Track Rehab	In Design	\$676,000	\$583	\$675,417
700612A	Highline Grain LLC – PCC Central WA Branch	In Construction	\$1,467,000	\$1,467,000	\$0
750210A	Snohomish Co – 240th St/SR9 Grade Crossing Improvements	In Close Out	\$34,000	\$33,806	\$194
		TOTAL	\$9,469,000	\$1,524,359	\$7,944,641