

2021-2023
Freight Rail Investment Bank (FRIB)
and
Freight Rail Assistance Program (FRAP)
Progress Report

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WSDOT Freight Rail Grant and Loan Programs – 2021-2023 Progress Report

Purpose of this report

SSB 5742, Sections 3 & 4 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 and all Freight Rail Assistance Program (FRAP) grants issued.

This report combines reporting for the FRIB and Freight Rail Assistance Program (FRAP) into a single report with distinct sections for FRIB and FRAP.

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, energy, 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 31, 2023.

A total of 41 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
2021-2023	4	\$1,911,000
TOTAL		\$33,592,516

The FRIB repayment schedule for calendar year 2023, with receivables of approximately \$2.49 million, is found in Exhibit 2.

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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Exhibit 2: Status of FRIB loan repayments

Status of FRIB Loan Repayments						
Borrower	Length of Loan (Years)	Loan Start Date	Loan End Date	Loan Balance	Annual Amount Due	Next Payment Date
City of Tacoma	10	Feb-17	Feb-26	36,335.62	12,111.88	2/1/2024
City of Tacoma	10	Feb-17	Feb-26	121,723.34	40,574.45	2/1/2024
City of Tacoma	10	Mar-17	Mar-26	45,009.04	14,998.49	3/1/2024
City of Tacoma	10	Apr-15	Apr-24	61,862.38	61,862.61	4/1/2024
City of Tacoma	10	May-14	May-23	-	34,732.01	
City of Tacoma	10	May-16	May-25	73,277.40	36,638.70	6/1/2024
City of Tacoma	10	Jun-15	Jun-24	24,997.31	25,000.00	6/1/2024
City of Tacoma	10	Jun-16	Jun-25	103,153.99	51,577.00	6/1/2023
Port of Benton	15	Jul-09	Jul-23	-	16,666.67	
Port of Everett	15	Jul-09	Jul-23	-	16,666.67	
City of Tacoma	15	Jul-10	Jul-24	1,938.96	1,759.06	7/1/2024
City of Tacoma	15	Jul-11	Jul-25	33,260.23	16,630.15	7/1/2024
Port of Longview	10	Jul-14	Jul-23	-	46,560.46	
City of Tacoma	10	Jul-14	Jul-23	-	36,393.80	
Port of Walla Walla	10	Jul-16	Jul-25	49,985.42	24,992.71	7/1/2024
City of Richland	10	Jul-16	Jul-25	79,996.35	39,998.17	7/1/2024
Port of Whitman County	10	Jul-17	Jul-26	85,022.55	28,340.85	7/1/2024
Port of Everett	10	Jul-18	Jul-27	1,264,686.00	316,171.50	7/1/2024
Port of Everett	10	Jul-21	Jul-29	7,282,246.32	1,040,320.90	7/1/2024
Port of Benton	10	Jul-21	Jul-29	174,814.25	24,973.47	7/1/2024
City of Tacoma	10	Jul-23	Jul-32	286,159.85	31,800.00	7/1/2024
City of Tacoma	10	Jul-23	Jul-32	417,842.17	46,500.00	7/1/2024
Port of Benton	10	Jul-23	Jul-32	234,000.00	26,000.00	7/1/2024
City of Tacoma	10	Aug-16	Aug-25	154,614.00	77,307.00	8/1/2024
City of Tacoma	10	Aug-17	Aug-26	93,436.55	31,145.52	8/1/2024
City of Tacoma	10	Sep-16	Sep-25	221,012.20	110,505.79	9/1/2024
City of Tacoma	10	Oct-17	Oct-26	110,842.86	36,947.62	10/1/2024
City of Tacoma	10	Oct-21	Oct-30	163,135.93	23,305.14	10/1/2024
City of Tacoma	10	Oct-21	Oct-30	278,272.99	39,753.29	10/1/2024
City of Tacoma	10	Nov-16	Nov-25	182,001.06	91,000.53	11/1/2024
City of Tacoma	10	Dec-22	Dec-31	693,952.38	86,750.26	12/1/2024

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Exhibit 3 provides a status report on all FRIB projects that were awarded funding during the 2021-2023 biennium.

Exhibit 3: 2021-2023 FRIB project status

2021-2023 FRIB project status					
PIN	Project Title	Status of project	21-23 Awarded	21-23 Spending	21-23 remaining
726823A	Tacoma Rail – Lincoln Track Upgrades (2021 FRIB)	Completed	\$318,000	\$317,959.85	\$40.15
726832B	Tacoma Rail – Locomotive Facility (2021 FRIB)	In Close Out	\$868,000	\$867,502.64	\$497.36
726823C	Tacoma Rail – Yard Tracks Upgrade (2021 FRIB)	Completed	\$465,000	\$464,341.98	\$658.02
726823D	Port of Benton – Crossing Replacements (2021 FRIB)	In Close Out	\$260,000	\$253,294.39	\$6,705.61
TOTAL			\$1,911,000	\$1,903,098.86	\$7,901.14

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 60 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	\$7,968,000
2021-2023	8	\$6,588,669
TOTAL		\$37,366,669

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Exhibit 5 provides a status report on all FRAP projects that were awarded funding during the 2021-2023 biennium.

Exhibit 5: Status of 2021-2023 FRAP projects

Status of 2021-2023 FRAP projects					
PIN	Project Title	Status of project	21-23 Awarded	21-23 Spending	21-23 Remaining
700401A	Highline Grain Growers, Inc. – Restoration of Davenport Station	Completed	\$631,495	\$631,495	\$0
700401B	Spokane, Spangle & Palouse Railway (SS&P) – Oakesdale to Fallon Rehab	In Construction	\$779,000	\$755,126	\$0
700810A	Columbia Rail/Port of Royal Slope – New Industrial Access Track Extension	In Close Out	\$739,755	\$736,442.85	\$3,312.15
711310B	Rainier Rail – 10,000 ties for Class1 track between Western Junction & McKenna	In Close Out	\$562,000	\$556,616.90	\$5,383.10
724812B	Columbia Basin Railroad Company – 1 st Subdivision Rehab Project	In Close Out	\$570,000	\$564,774.35	\$5,225.65
744204B	Puget Sound & Pacific Railroad – Aberdeen Bridge Rehabilitation	In Close Out	\$1,848,000	\$1,842,171.64	\$5,828.36
751033B	Columbia & Cowlitz Railway, LLC – CLC Capacity	Cancelled by Grantee	\$1,202,315	\$0	\$1,202,315
757111B	Central Washington Railroad Company – 2 nd Subdivision Track Rehabilitation	Completed	\$590,000	\$56,534.92	\$513,454.08
		TOTAL	\$6,922,565	\$3,306,818.38	\$3,615,746.62