Insights

"Local Trax" Program Provides Local Entities a Resource for Improving Rail Grade Crossings

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On April 4, 2018, the Indiana Department of Transportation announced that more than $125 million would be made available for local communities to make railroad safety enhancements. Funding for the program was granted in House Enrolled Act 1002-2017, with goals to "increase safety, improve mobility, and enhance the quality of life for Hoosiers."[1] While the process is competitive and requires a local match for improvements, the Program is a collaborative effort between the State, Local Government, host railroad, congressional representatives, and others.

What Projects Qualify:
Local Trax provides grants for grade separation, crossing closures, and other safety initiatives at road-rail intersections on local roads. Specifically, the program focuses on building new overpasses, underpasses, eliminating rail-highway crossings that have a high volume of train and vehicular traffic, and other safety enhancements.

Local Matching, and Other Requirements:
Local Trax was funded with bonding authority for a projected $125 million, with no cap, meaning that figure could be higher going forward. According to INDOT, it will pay for one hundred percent of design and inspection fees associated with successful applications. The applicant will need to provide a twenty percent match for right of way acquisition and utilities and construction, with INDOT chipping in the remainder. No federal funds will be used on the Local Trax program, and applicants may not use Community Crossings funds as part of their required match.

The Submission and Scoring Process:
According to INDOT, the application process opens on May 1, 2018, and closes on August 31, 2018. Points are awarded to each application based on a variety of factors, including safety (25 points), mobility (10 points), financial participation from applicant and host railroad (20 points), environmental effect and quality of life (10 points), closed crossings (20 points), and "bonus" points (15 points), which are based on whether or not the municipality has secured congressional or community letters of support, has a verified tax base increase due to the proposed improvement, and other factors. It's important to note that scoring points allocated for "safety," which the Local Trax program emphasizes, account for the highest consideration for applicants. By going to the Federal Railroad Administration's ("FRA") website, applicants can see a full breakdown of crossings in their community, and rank each by its risk level assigned by the FRA.[2]

Conclusion:
With its relatively brief window for accepting applications, Local Trax is sure to be a hot topic during the summer of 2018. While the program does have a finite source of funds, as of now, and uses a competitive

scoring system, it appears there is no limit to what size of local government can apply, no maximum grant award set for each grade crossing project, and no limit to how many (or how few) grade crossing improvements each municipality may propose. With a scoring emphasis on safety, those communities that propose improvements to notoriously dangerous crossings will have an easier time racking up points. However, to maximize their share of the program funds, communities should try to excel at each category, including the bonus category, by obtaining letters of support, and proving a verified tax base increase due to the proposed improvement.

[1] Indiana Department of Transportation, At Least $125 million Available to Local Communities for Rail Overpass Projects Through “Local Trax” Matching Grant Program, Online Bulletin (Apr. 2, 2018, 4:13 PM), https://content.govdelivery.com/accounts/INDOT/bulletins/1e6808c.
[2] http://safetydata.fra.dot.gov/officeofsafety/default.aspx