

RAIL INDUSTRIAL ACCESS PROGRAM (RIAP) POLICY AND PROCEDURES

Purpose

The North Carolina Department of Transportation (NCDOT) will help fund the cost of constructing rail tracks required to serve a new or expanding business as part of a statewide effort to attract new industry to North Carolina. The purpose of the program is to provide an incentive for companies to locate or expand in North Carolina rather than out of state. Funds should be applied for early, prior to making a location decision.

Eligible Recipients

Local governments, community development organizations, railroad companies, and industries are eligible for this program.

Eligible Projects

Funds may be used to construct or rehabilitate railroad spur or siding tracks.

Allocation of Funds

Recipients may receive a maximum 50% of total project costs up to \$400,000.

Responsibility for Project Tracks

The grant recipient (or industry) shall be responsible for ownership and assume maintenance and liability for the project tracks.

Administration

The Rail Industrial Access Program is administered by the North Carolina Department of Transportation (NCDOT). The Rail Division of NCDOT reviews applications and makes funding recommendations to the North Carolina Board of Transportation (NCBOT).

Application

Applications for the Rail Industrial Access Program are completed online.

1. Fill out the [Rail Division System Access Authorization form](#). One form is needed for each individual requiring access to the application or invoice processes
2. Return the Authorization form(s) to Brian Gackstetter at begackstetter@ncdot.gov
3. Your User ID and initial password will be emailed to you from SAP Service Account
4. Log into <https://www.ebs.nc.gov/irj/portal> with your credentials and change your password
5. In the EBS portal, click the DOT Grants window under the Partner Applications heading
6. Select Applications under the Search heading
7. Under Search Criteria, enter "RIAP 20XX" as the Program ID. "XX" corresponds to the relevant funding year. Applications for 2017 enter RIAP 2017. Select Search
8. Fill out the application

9. Once submitted, the application will be reviewed

Railroad Commitment

The railroad company owning the main tracks to which a spur track is connected must agree to serve the industry and approve the track construction plans. A [Railroad Commitment Form](#) can be found on the Rail Resources site.

Industry Commitment

The industry shall commit to a specific number of new jobs and to a specific level of rail usage during the first five years of operation. An [Industry Commitment Form](#) can be found on the Rail Resources site.

When project tracks are located in a municipality where the NCDOT has a Transportation Safety Plan, the industry shall accommodate it in their project planning.

County and City Resolution

The project shall be consistent with local land use and transportation plans. The County and City shall provide a resolution supporting the project. A [Resolution Support template](#) can be found on the Rail Resources site.

NCDOT Railroad Safety Pledge

The industry, EDC and local governments shall pledge to work with the NCDOT in a leadership role to make highway-rail improvements that address the safety needs of the public, contractors and employees. Forms for [Industry Safety](#) and [EDC safety](#) can be found on the Rail Resources site.

Property Easement Certification

The applicant shall certify that it has obtained all property easements necessary to allow access to the rail spur construction site and permit rail freight operations. A [Property Easement Certification form](#) can be found on the Rail Resources site.

Project Purchases and Cost Reimbursements

Project purchases are to be competitive and contracts must be awarded to the low bidder. All procurements are to be conducted in accordance with NC General Statute [143-129](#) or [143-131](#) (formal or informal). Please refer to the [Bid Procurement Requirements](#) document for more detail. To receive reimbursement the Grantee must submit a payment invoice after the project is completed and after the track is in revenue service.

State Funding	Bidding Requirement
>\$30,000	Materials or construction contracts - Informal
>\$90,000	Materials - Formal
>\$500,000	Construction - Formal

Professional Services Procurement

Requirements for professional services must be publicly announced and chosen from licensed consultants based on qualifications.

Reporting Requirements

For five years following project completion the grantee shall [report rail use](#) and employment to the Department. Grantees that are private or nonprofit must report project activities and project expenditures annually (electronically) to the Rail Division using the provided forms.

Grantees receiving less than \$25,000: [certification form](#), [state grants compliance reporting form](#)

Grantees receiving at least \$25,000 and less than \$500,000: [certification form](#), [state grants compliance reporting form](#), [program activities and accomplishments report](#), and [schedule of receipts and expenditures](#)

Grantees receiving more than \$500,000: [certification form](#), [state grants compliance reporting form](#), and “Yellow Book” audit done by a CPA annually

Contingent Interest

The grantee may be required to repay the NCDOT its contribution to the cost of construction and materials less depreciation if:

1. Rail use in the first five years falls below the commitment levels indicated in the application.
2. The project tracks are abandoned, relocated or sold.
3. Employment commitments in the first two years are not met

Project Selection Criteria

The following is required for NCDOT funding consideration:

1. Project Application
2. County/city support resolution
3. Industry commitment certification
4. Railroad commitment certification
5. Property easement certification
6. Industry Safety Pledge

The NCDOT will use the following criteria when evaluating rail industrial access applications:

Project Points

Employment in the first 2 years of operations	
50-99 employees	4 pts.
100-199 employees	8 pts.
200-299 employees	12 pts.
300+ employees	16 pts.
Capital investment in the first 2 years of operations	
\$5-14 million	2 pts.
\$15-49 million	4 pts.
\$50-149 million	6 pts.
\$150 million +	16 pts.
Annual rail carloads	
50-199	2 pts.
200-349	4 pts.
350-499	6 pts.
500+	8 pts.
Distressed County of Appalachian Regional Commission eligible	
Yes	2 pts.
No	0 pts.
Shortline Preservation	
Yes	2 pts.
No	0 pts.

Points are awarded based on economic benefits. A minimum score of 8 points is required for project funding.

Points	Reimburse %	Max. Funding
Less than 8 points	Ineligible	
8-15	35%	\$200,000
16-23	40%	\$200,000
24-29	45%	\$200,000
30-34	45%	\$400,000
35+	50%	\$400,000