



Off-System Rail Grade Separation

State Fund Program-Grant Application Workshop



October 31, 2025



October 31, 2025

Welcome to the Workshop

-

Safety Moment

8 people or vehicles are hit by a train daily in the United States

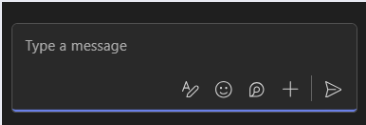
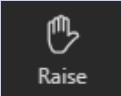


96%

of US rail-related fatalities over the past 10 years are due to highway-rail grade crossing and trespassing incidents

Source: Federal Railroad Administration

Virtual Workshop Logistics

	Please mute your audio when not speaking.
	Type questions in the chat panel. TxDOT panelists will attempt to either type or verbally respond to everyone's questions.
	Raise your hand if you would like to ask a question out loud.
	Virtual AI assistants are not allowed on the call.

Notes:

- Workshop will be recorded and posted on TxDOT's Rail Division website.
- Slides will be posted on TxDOT's Rail Division website.

Workshop Agenda

01

Overview

Grant Programs

02

Process

Application
process

03

Project Award

04

Closing Remarks



October 31, 2025

Grant Program Overview

Off-System Rail Grade Separation State Fund Program



Senate Bill (SB) 1555 signed
May 24, 2025



\$250 Million approved for
the next 2 years

Program Rules Implementing SB 1555

Title 43 (Transportation), Part 1 (Texas Department of Transportation), Chapter 7 (Rail Facilities)

TxDOT proposed new §§7.120 - 7.134 concerning the Off-System Rail Grade Separation State Fund Program:

-  Describes the policies and procedures for the implementation and administration of the Program
-  Published in the Texas Register on July 4, 2025, for a 30-day public comment period
-  At its September 2025 meeting, the Texas Transportation Commission issued a minute order to codify this Program in the TAC.

Program Eligibility

To be eligible for funding under the program, a **PROJECT** must:

-  (1) be for the construction of a grade separation structure that will *either eliminate one or more adjacent at-grade rail-highway crossings or provide a grade-separated pedestrian-rail crossing*;
-  (2) be located *off the state highway system* (roadways that are not under TxDOT's jurisdiction);
-  (3) increase *public safety*, enhance *economic development*, or reduce *traffic*; and
-  (4) constitute a logical, self-contained unit of work that *can be constructed as an independent project* whether it is proposed as an independent project or as a part of a larger transportation project.

The crossing may involve either freight or passenger rail.

Program Eligibility (continued)

To be eligible to request funding under the program, the project **SPONSOR** must:

-  (1) be the *political subdivision of the state* (e.g., counties, cities, special districts, and school districts) that has jurisdiction over the project's location,
-  (2) have the *authority* to undertake the project, and,
-  (3) have authority to *enter into the agreement with TxDOT* required under §7.132 of this subchapter (relating to “Project Implementation”).

Allowable and Non-Allowable Costs



Allowable

- Planning
- Detailed design activities including
 - Preparing construction plans
 - Environmental documentation
 - Right-of-Way acquisition
 - Utility adjustment
- Construction



Non-Allowable

- Any project costs incurred PRIOR to selection, execution of a local agreement, and authorization from TxDOT to proceed will not be eligible for reimbursement.
- Items for rail capacity improvements or the addition of mass transit infrastructure.

Non-State Funding Match

At least **10%**
of the total project costs
must be provided by a
source other than the
state as matching funds.

Project sponsor must provide the
funding match required before
the beginning of project activities
for each phase of work.

01**02****03**

Except

The Texas Transportation Commission may
adjust minimum local matching funds
requirement for a project located in an
economically disadvantaged county.

Transportation Code, §222.053

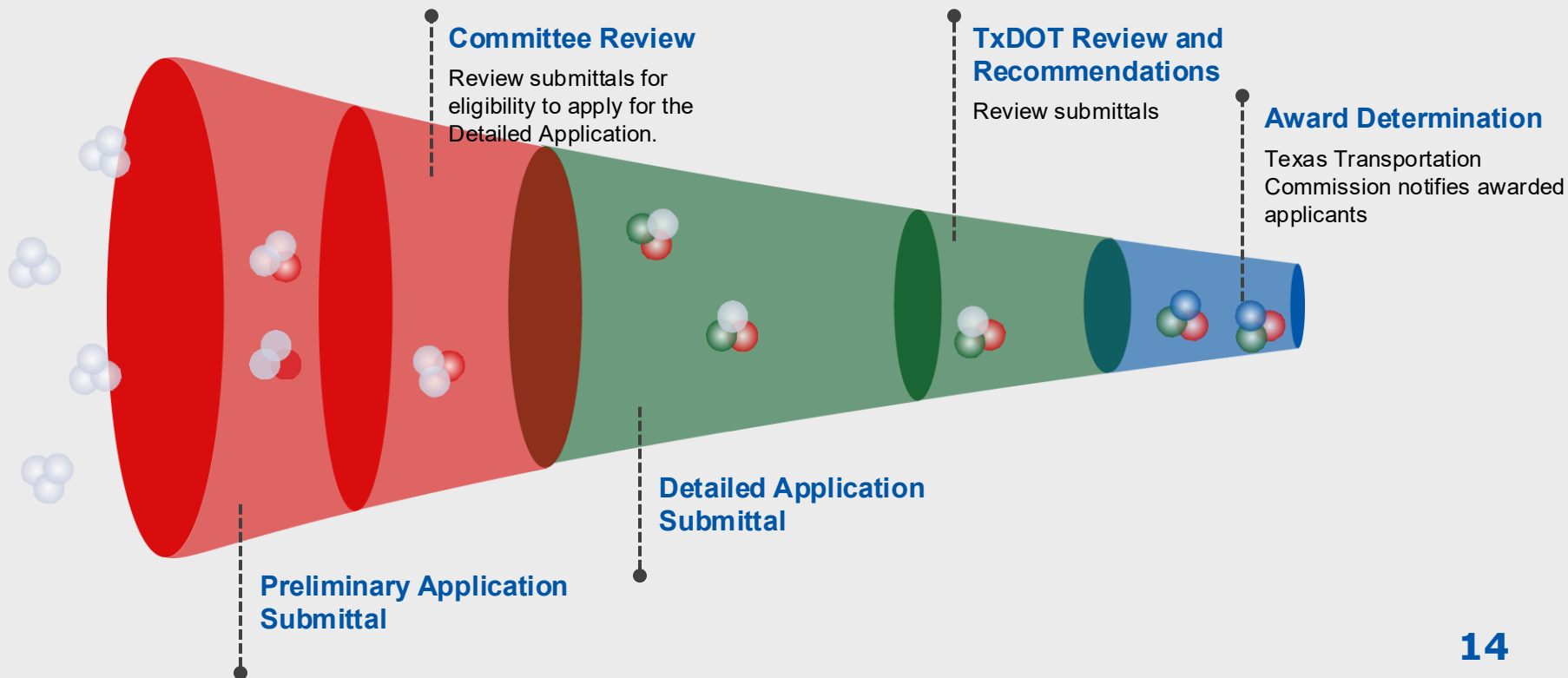
If federal funds are used, the participating
railroad must share project costs per 23
C.F.R. §646.210. For state-funded projects,
cost participation is negotiated with the
railroad and can count toward the non-
state funding match.



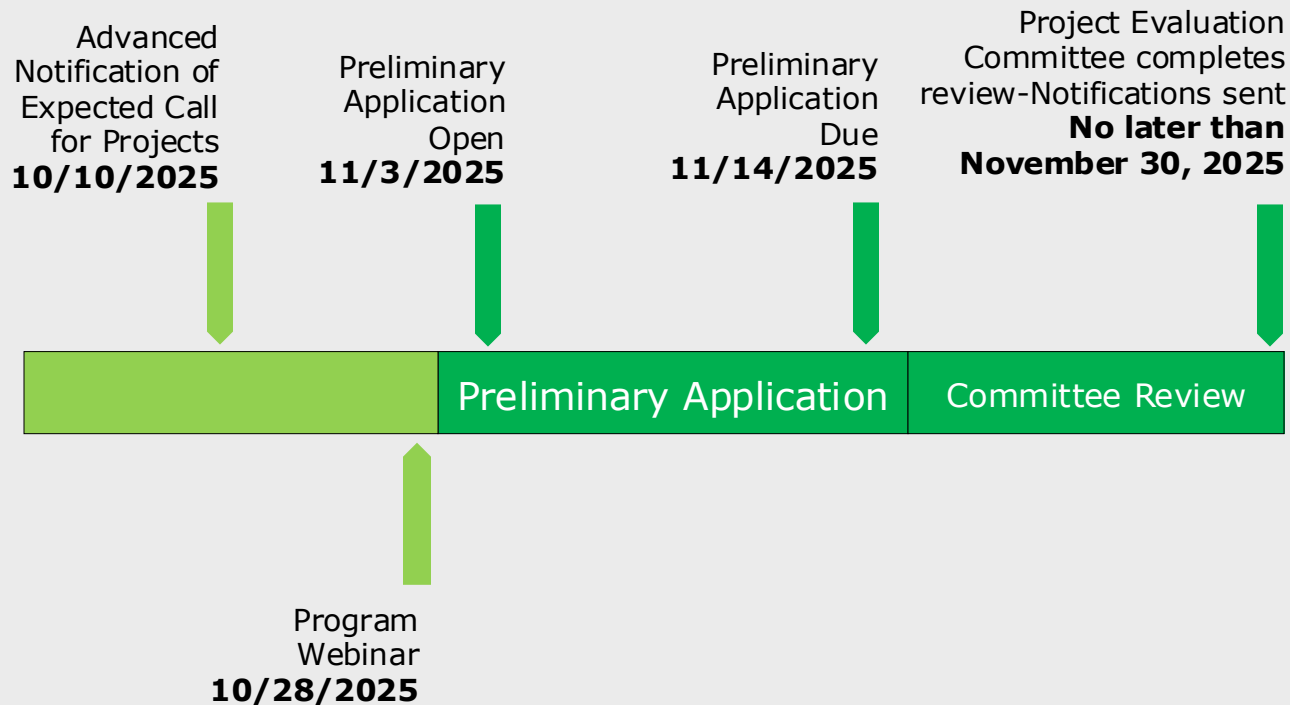
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Application Process

Application and Project Selection Process



Application and Project Selection Timeline (anticipated)



To Be Determined

- Detailed Application Window
- TxDOT Review and Recommendations
- Texas Transportation Commission Award Determination

Preliminary Application

Project sponsors submit preliminary applications.

General Information

- Project Description
- Preliminary Project Cost (all phases)
- Challenges Encountered
- Project Benefits
- Project Complexity

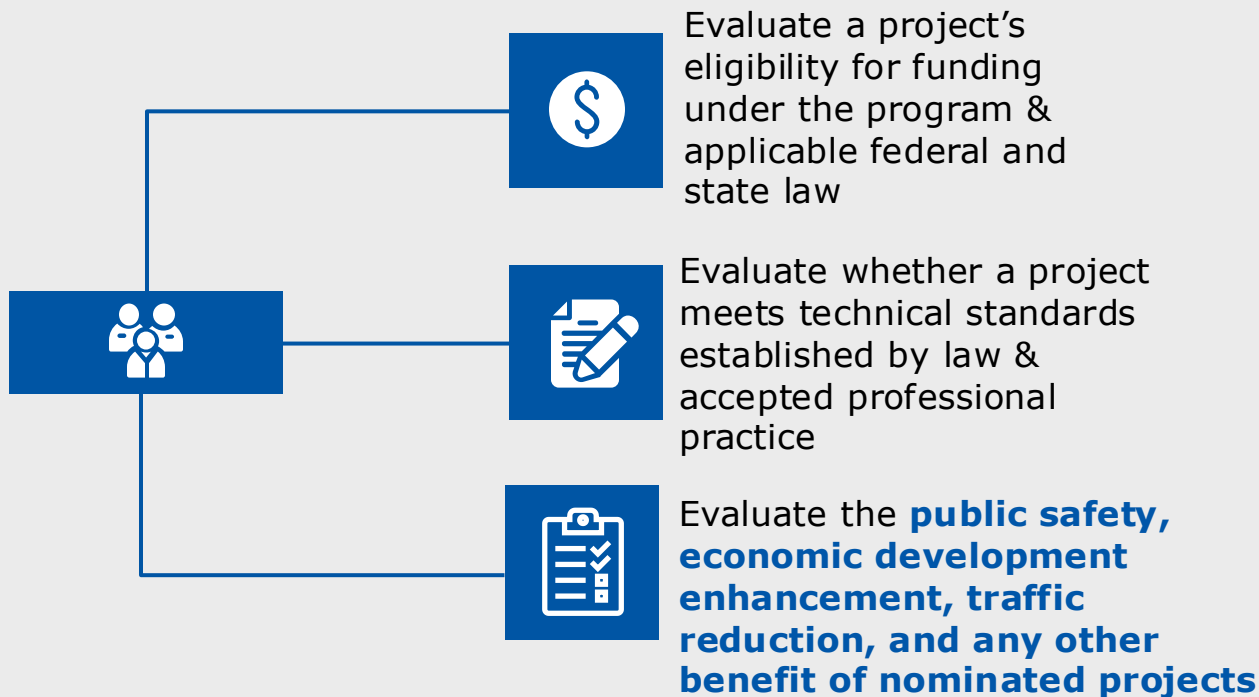
Detailed Application

Eligible project sponsors submit detailed applications.

Detailed Information

- How the project would increase public safety, enhance economic development, or reduce traffic
- Project Readiness
- Detailed Project Costs (all phases)
- Letter of Financial Commitment
- Environmental Resources

Role of the Project Evaluation Committee



The committee will recommend that **at least 10%** of the total amount available go to eligible projects located in **rural areas**, unless it determines that there are not sufficient eligible project applications to reach 10 percent of that amount.

Project Selection and Approval



The **Rail Division director** will:

- Review recommendations & supporting documentation submitted by the committee
- Select projects for funding under the program
- Recommend the selected projects to the **Texas Transportation Commission** for approval
- TxDOT will notify the project sponsor if a project nomination is determined to be ineligible and the reasons for the determination.

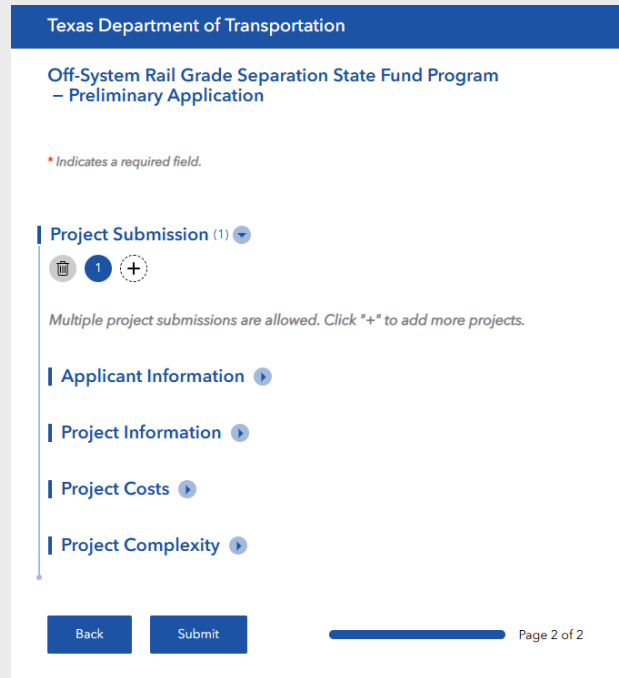


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Preliminary Application

Preliminary Application Overview

- The application is fillable and submitted online through TxDOT's Rail Division website.
- There is no limit to the number of Preliminary Applications that project sponsors can submit for this Call for Projects.
- This program does not fund rail capacity improvements or the addition of mass transit infrastructure.



The screenshot displays the 'Preliminary Application' form for the 'Off-System Rail Grade Separation State Fund Program'. The interface includes a header with the Texas Department of Transportation logo and a sidebar with a progress indicator showing five steps: Project Submission (1), Applicant Information, Project Information, Project Costs, and Project Complexity. The 'Project Submission' step is active, showing a trash icon, a count of 1, and an add icon. A note states: 'Multiple project submissions are allowed. Click "*" to add more projects.' At the bottom, there are 'Back' and 'Submit' buttons, a progress bar, and the text 'Page 2 of 2'.

Project Information

Must include scope elements if applicable, such as:

- ✓ overpass or underpass designation,
- ✓ bridge length and width,
- ✓ number of vehicle lanes,
- ✓ access surface street details,
- ✓ median width,
- ✓ sidewalk or shared-use path width, and
- ✓ other relevant features



Preliminary Application Considerations

- Preliminary cost estimate of all project phases
- Identify source(s) of non-state matching funds (minimum 10% contribution)
 - Examples: local government budget, contributions from the railroad or 3rd party



Planning



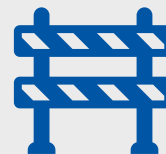
Design



ROW
Acquisition



Utility
Adjustment



Construction

Preliminary Application Considerations (continued)

Is this project in a locally, regionally, or state level approved planning document?

How will the project benefit the community by addressing the challenges the community is facing regarding the rail crossings? Alignment with the Program goals?

Has the sponsor begun coordinating on this proposed project with the railroad company/entity in the project area? Does the railroad company support this project?

Will the project require major utility relocations (high voltage power transmission lines, high pressure gas lines, water/wastewater lines, major fiber optic networks)?

Will the project require acquisition of right-of-way or an easement, or relocation?



Texas Department of Transportation

Off-System Rail Grade Separation State Fund Program – Preliminary Application

Introduction

The Preliminary Application is designed to capture high-level project details, enabling the Committee to assess funding eligibility, challenges encountered by the community by the rail grade crossing, benefits created by the proposed project, and initial project readiness, including railroad coordination. After the Preliminary application review, the Committee will notify all project sponsors if they are eligible to continue into the detailed application process for Program funding.

Program Eligibility*

- ☐ By submitting a preliminary application for the Off-System Rail Grade Separation State Fund Program (Program), the applicant acknowledges that I have read and understand the following eligibility requirements:

To be eligible for the Program, the project must (1) be for the construction of either a highway-rail grade separation structure that will eliminate at least one at-grade rail-highway crossing or a grade-separated pedestrian-rail crossing, (2) be off the state highway system,

Selected Projects Advance to the Detailed Application

The project evaluation committee completes its review of all Preliminary Applications.

In late November 2025, the Rail Division will:



- Notify applicants if their project advances to the Detailed Application process



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Detailed Application

Detailed Application Overview

- The application is fillable and submitted online through TxDOT's Rail Division website.
- The selected project sponsors provide additional project details for consideration.
- It is important to communicate project details clearly in the detailed application and attachments.
- **Submitting a Detailed Application does not guarantee a grant award.**

Texas Department of Transportation

Off-System Rail Grade Separation State Fund Program
– Detailed Application

* Indicates a required field.

[| Applicant Information ▶](#)

[| Project Information ▶](#)

[| Public Safety ▶](#)

[| Traffic Reduction ▶](#)

[| Economic Development Enhancement ▶](#)

[| Project Readiness ▶](#)

[| Project Costs ▶](#)

[| Community Support & Planning ▶](#)

[| Innovation and Transformational Elements ▶](#)

[| Attachments ▶](#)

Back

Submit

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Project Cost

- Provide detailed cost for each project development phase
- Provide the non-state matching fund amounts (minimum 10% contribution)
- Create your estimate based on unit prices within the last twelve months.

Instructions: Please complete the Cost Estimate and Funding table below. A reminder there is a program requirement for a minimum of 10% in matching funds to be provided by the applicant for the total cost of the project.

	Cost Estimate (rounded to nearest \$1,000)	Requested Program Fund	Applicant Match ⁴	Railroad Match ⁴	Other Non-state Match	Federal Fund	Other TxDOT Fund	Total
Planning								
Design ¹								
ROW								
Acquisition								
Utility Adjustment ²								
Construction ³								
Total								
Note:	¹ Design plans must be stamped by a professional engineer licensed in the State of Texas.							
	² Utility adjustments refer to relocations, abandonment, replacement, or modifications of existing overhead and underground utilities, such as communications, water, sewer, and electricity.							
	³ Construction amount includes the total estimated labor, materials, contingency, and inflation.							
	⁴ If applicable, the project sponsor must include commitment letters as attachments							

Detailed Application Project Cost and Financial Summary table

Detailed Application Considerations

- **Public Safety:** the public safety concerns at the project location and how the project would address them.
- **Economic Development Enhancement:** how the project supports population growth, enhances job creation and business growth, and improves connectivity for local populations.
- **Traffic Reduction:** the mobility issues at the project location and how the project addresses those issues or reduces barriers.
- **Project Readiness:** What is the project's complexity, including environmental impacts, constructability and feasibility, and overall shovel-readiness?
- **Community Support & Planning:** community support documentation, including but not limited to railroads, elected officials/agencies, and impacted property owners, alignment with local/regional/state planning documents
- **Non-state Match:** Meet Program requirements? Partnership with railroads?
- **Transformational Elements:** The project will eliminate multiple grade crossings, providing significant safety and mobility benefits?

Detailed Application Considerations

Public Safety: Describe the **public safety concerns** at the project location and **how the project would address them.**

Factors: 5-year crash history, other documented safety concerns

For rail-pedestrian grade separation projects:

Focus On

-  Bike/ped crash count/rate, safety hazards
-  Existing/planned land uses that generate pedestrian activity, along with associated safety risks and exposure
-  How the project mitigates crash history and addresses documented safety concerns

Detailed Application Considerations (continued)

Economic Development Enhancement: Describe how the project supports population growth, enhances job creation and business growth, and improves connectivity for local populations.

Factors: population and employment density, low-income households, access to major destinations or essential facilities (grocery stores, schools, parks, employment centers, hospitals, etc.)

For rail-pedestrian grade separation projects:

Focus On



How the project supports connection to other modes, access to major destinations or essential facilities, such as schools and parks, for people who walk or bike

Detailed Application Considerations (continued)

Traffic Reduction: Describe the mobility issues at the project location and how the project addresses those issues or reduces barriers.

Factors: average annual daily traffic (AADT), mobility issues

For rail-pedestrian grade separation projects:

Focus On



Average daily pedestrian and bicyclist users



How the project addresses mobility challenges or reduces barriers for people who walk or bike

Detailed Application Considerations (continued)

- **Project Readiness**

- Project lifecycle phase: a) no engineering study, b) study with concepts, c) preliminary engineering plans (30%), or d) final design in progress or completed
- Project schedule and timeline
- Project complexity
 - Right of Way (ROW) and easement needs
 - Utility conflicts
 - Railroad coordination
 - Environmental impacts

Detailed Application Considerations (continued)

- **Community Support & Planning:** community support documentation, including but not limited to railroads, elected officials/agencies, and impacted property owner, alignment with local/regional/state planning documents
- **Transformational Elements:** The project will eliminate multiple grade crossings, provide significant safety and mobility benefits.
- **Non-state Match:** Meet program requirements? Any partnership with railroads?

Detailed Evaluation Criteria

Criteria Category	Criteria Measures	Evaluation Details
Public Safety	Crash count	TxDOT Analysis
Public Safety	Fatality and severe injury count	TxDOT Analysis
Public Safety	Crash rate	TxDOT Analysis
Public Safety	Predicted collisions from Federal Railroad Administration Grade Crossing Accident Prediction System	TxDOT Analysis
Public Safety	Documented Safety Issues and Proposed Benefits	Analysis of application response
Traffic Reduction	AADT	TxDOT Analysis
Traffic Reduction	AADT Truck	TxDOT Analysis
Traffic Reduction	Train Volume	TxDOT Analysis
Traffic Reduction	# of Blocked Crossing Reports	TxDOT Analysis
Traffic Reduction	Crossing delay	TxDOT Analysis
Traffic Reduction	Documented mobility issues and proposed benefits	Analysis of application response
Economic Development Enhancement	Population Density	TxDOT Analysis
Economic Development Enhancement	Employment Density	TxDOT Analysis
Economic Development Enhancement	Connectivity to essential facilities, as well as access to emergency routes, supporting adjacent land use and overall development potential.	Analysis of application response
Economic Development Enhancement	Average percent low-income	TxDOT Analysis
Project Readiness	Project complexity, constructability/feasibility, shovel readiness	Analysis of application response
Community Support & Planning	Community support	Analysis of application response
Community Support & Planning	Alignment with local/regional/state planning documents	Analysis of application response
Non-state Match	Meet Program requirements, partnership with railroads	Analysis of application response
Transformational Elements	Significant partnerships, significant economic benefits, elimination of multiple at-grade crossings	Analysis of application response

Criteria Weights

Criteria Category	Criteria Category Weights
Public Safety	18%
Traffic Reduction	18%
Economic Development	18%
Project Readiness	18%
Community Support & Planning	18%
Non-state Match	5%
Transformational Elements	5%



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Project Award

If Your Project is Awarded Grant Funding

- TxDOT will notify the project sponsor of their selection and begin project coordination.
- **All project sponsors must enter into an agreement with TxDOT that:**
 - includes a commitment from the project sponsor for the required non-state funding, if applicable;
 - describes the total scope and course of project activities;
 - states the maximum amount of the funding provided;
 - designates TxDOT to manage the project on behalf of the project sponsor; and
 - outlines the responsibilities and duties of the parties to the agreement.
- The project sponsor is responsible for securing right-of-way (ROW) and addressing all utility relocations or adjustments required for the project.
- Any cost overruns for the project will be the responsibility of the project sponsor.

Role of TxDOT District Offices

- **District offices will be responsible for developing the selected projects.**
- Activities are expected to include, but are not limited to:
 - ✓ Project management
 - ✓ Coordination with the Rail Division, project sponsor, railroad, utilities, and other stakeholders
 - ✓ Detailed project design (plans, specifications and estimates)
 - ✓ Environmental analysis, documentation, and approvals
 - ✓ Public involvement
 - ✓ Construction inspection
- TxDOT personnel as well as consultants are expected to be involved in project development.



Role of TxDOT District Offices (continued)

- **District offices will also:**

- ✓ Maintain oversight responsibility during all project development phases.
- ✓ Ensure the project site is safe for construction workers, the public, railroad operations, and TxDOT employees.
- ✓ Certify the project has been built to conform with plans and specifications.
- ✓ Serve as the custodian of project plans and other important records for reference and audit purposes.



Scope Modifications

- Projects must be developed as described in the application and approved by the Commission. Any change to the scope of work specified in the application package and approved by the Commission must have advance written approval of the executive director.

Maintenance and Operation

- The project sponsor will assume responsibility for maintenance and operation upon completion of construction. Each project must be maintained for its useful life and remain dedicated to the public purpose for which it was approved, in accordance with the terms of the Advance Funding Agreement.

Question and Answer Session





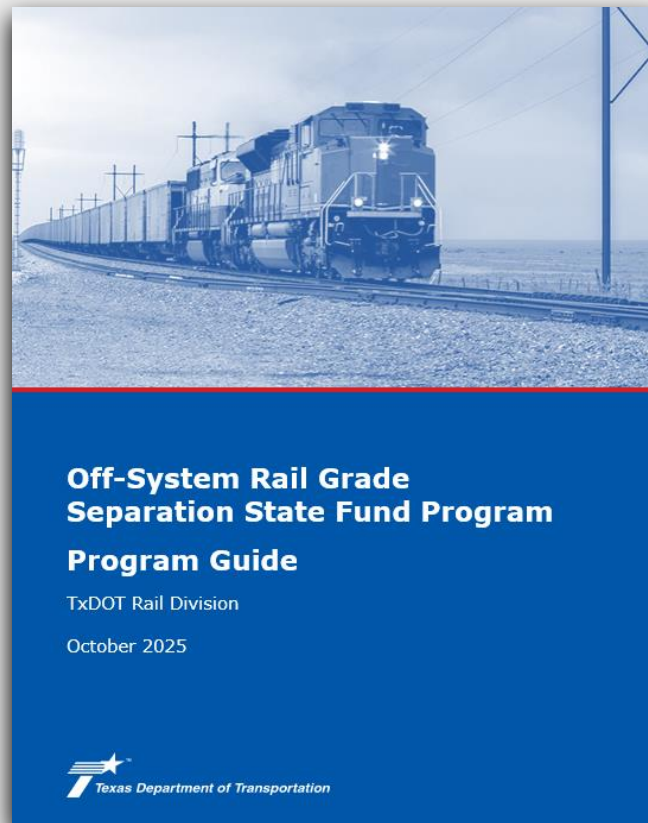
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Closing Remarks

Consult the Program Guide

Provides additional information about the grant program, including

- Program overview
- Eligibility
- Application process
- Project delivery process and requirements



Reminder of Key Dates

Milestones	Anticipated Date
Advanced Notification of Expected Call for Projects	October 10, 2025
Program Webinar	October 28, 2025
Preliminary Application Open	November 3, 2025
Preliminary Application Due	November 14, 2025
Project Evaluation Committee Completes Review- Notifications Sent	No later than November 30, 2025
Detailed Application Open	TBD
Detailed Application Due	TBD
TxDOT Review and Recommendation Completed	TBD
Texas Transportation Commission Award Determination	TBD

Final Thoughts

**Minimum 10%
non-state funding
contribution is
required**

**Demonstrate
community
awareness and
support**

**Remember the
Program Goals**

***-Increase
Public Safety***

***-Enhance
Economic
Development***

***-Reduce Traffic
Congestion***

**Provide project
details, concepts,
and plans**

**Include maps,
photos, and other
supporting
documents for added
context**

TxDOT Rail Division: Grant Program Contacts

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Thank You!