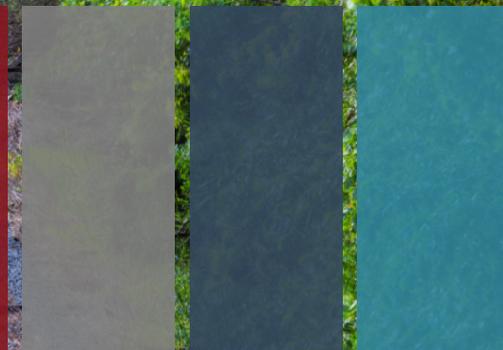


Railroad Revolving Loan and Grant
Funding Recommendation

Commission Workshop
October 12, 2015





02

FY 2016 RRLG Funding Recommendation History of the RRLG Program

1 Program Creation:

- RRLG Program was created by legislation in 2005
 - Chapter 327H.20A of the Iowa Code
 - Administered in accordance with Administrative Rule 761, Chapter 822

2 Program Purpose:

- To provide loans and grants for railroad related improvement projects to benefit Iowa

3 Funding Source:

- Funded by loan repayments and appropriations by the Iowa Legislature

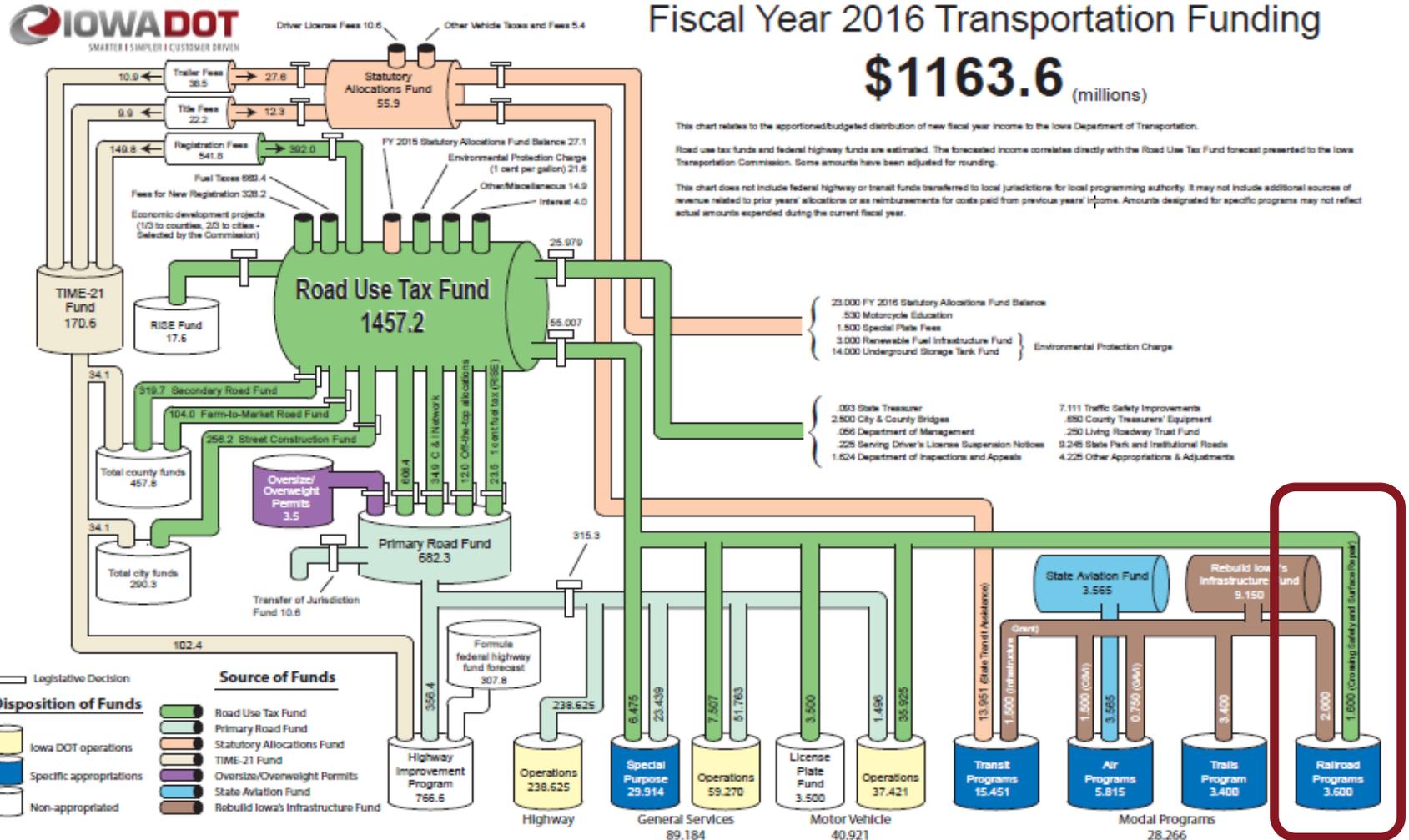
4 Eligible Applicants:

- Available to businesses, cities, counties, economic development organizations and other non-profit organizations through an application program

03

FY 2016 RRLG Funding Recommendation

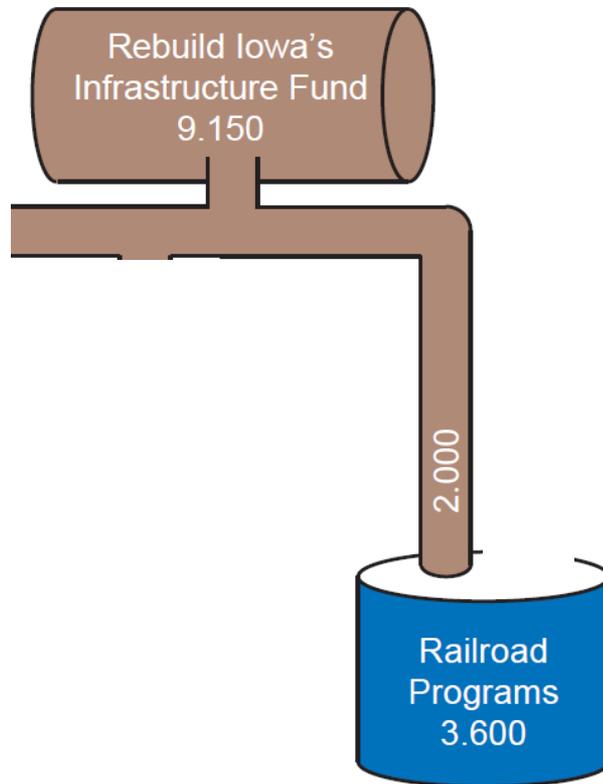
RRLG Program Funding





04

FY 2016 RRLG Funding Recommendation RRLG Program Funding



Railroad Revolving Loan and Grant
Fund
\$2,000,000 FY 16 allocation by
legislature



FY 2016 RRLG Funding Recommendation
FY '16 Funding Summary

05

FY '16 Revenue

FY '16 Appropriation : \$2,000,000

Loan Repayments : \$967,427

Reverted Funding : \$72,000

Total available: \$3,039,427

FY '16 Applications

Total Number of Applications: 7

Total Rail Project Costs: \$4.2 Million

Total Capital Investment : \$5.1 Million

Total Requested Amount: \$3.26 Million

FY 2016 RRLG Funding Recommendation Project Evaluation Criteria

1 Targeted Job Creation Projects

- Hourly wage rates must meet 100% of the average county wage
 - Job leverage: 40 pts
 - Wage quality: 20 pts
 - Capital Investment: 20 pts
 - Loan leverage: 20 pts

2 Rail Network Improvement:

- Project readiness
- Rail Network Impact
- Economic Impact
- Financial Readiness

3 Rail Port Planning and Development Studies:

- Existing/Potential site information
- Goals of the study
- Organizational structure and capacity to complete the study



FY 2016 RRLG Funding Recommendation
FY 2016 Applications

07

Targeted Job Applications	<u>Project Name</u>	<u>Applicant</u>	<u>Project Location</u>
	Boone Scenic Valley Industrial Park Line Phase 1	BSVRR	Boone, Iowa
	Iowa Traction Transload	IATR	Emery, Iowa
	A to Z Rail Enhancement	A to Z Drying	Osage, Iowa

Rail Network Improvements	<u>Project Name</u>	<u>Applicant</u>	<u>Project Location</u>
	ADM "S" Curve	ADM	Clinton, Iowa
	KJRY Yard Enhancements II	KJRY	Keokuk, Iowa
	* <i>Red Rock Industrial Park</i>	Knoxville	Knoxville, Iowa
	* <i>BJRY Le Mars Interchange Track</i>	BJRY	Le Mars, Iowa

* withdrawn applications

FY 2016 RRLG Funding Recommendation Project Location Map

08

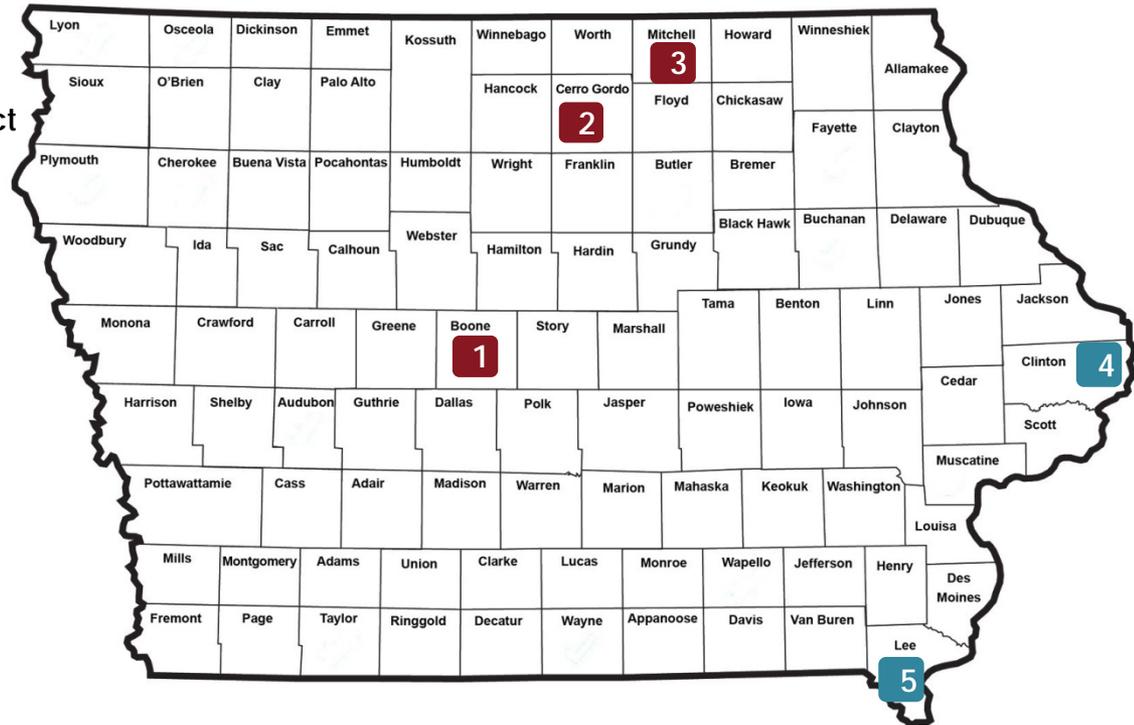
1 **Boone Scenic Valley Rail Project**
Boone, Iowa

2 **Iowa Traction Rail Project**
Emery, Iowa

3 **A to Z Rail Enhancement**
Osage, Iowa

4 **ADM Terminals**
Clinton, Iowa

5 **KJRY Yard Improvements**
Keokuk, Iowa

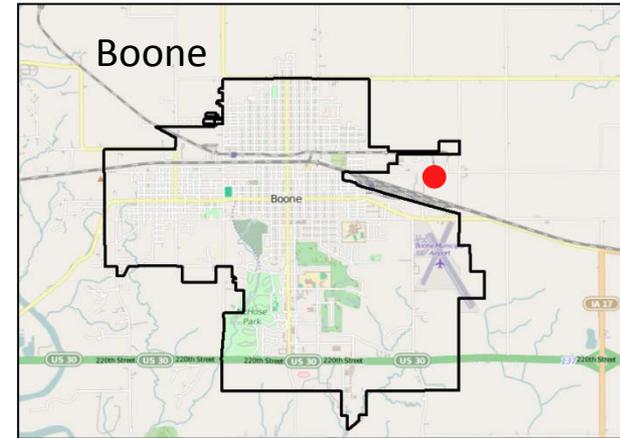


- Targeted Job Creation Projects
- Rail Network Improvement Projects



09

FY 2016 RRLG Funding Recommendation
Boone Scenic Valley Railroad Project



10

FY 2016 RRLG Funding Recommendation Boone Scenic Valley Railroad Project

1 Project Summary:

- Construction of a 1700 ft siding track including grading, ballasting, and ties. Will also add ballast to maintain 286K capability.

2 Project Investment:

- \$736,050

3 Rail Project Cost:

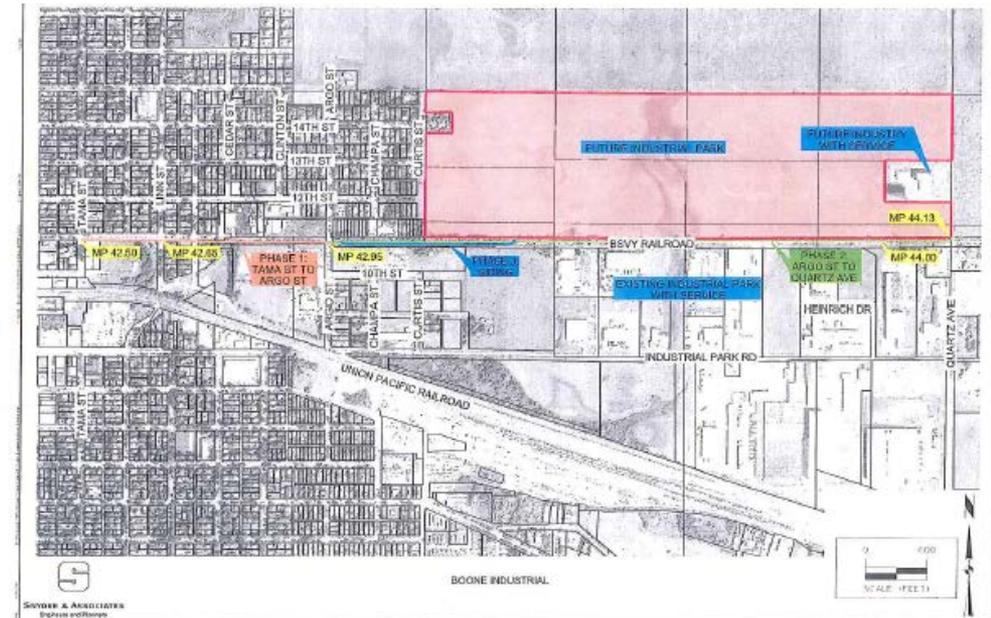
- \$736,050

4 Request:

- Grant: \$240,000
- Loan: \$316,050

5 Jobs:

- 23 Retained
- 17 New



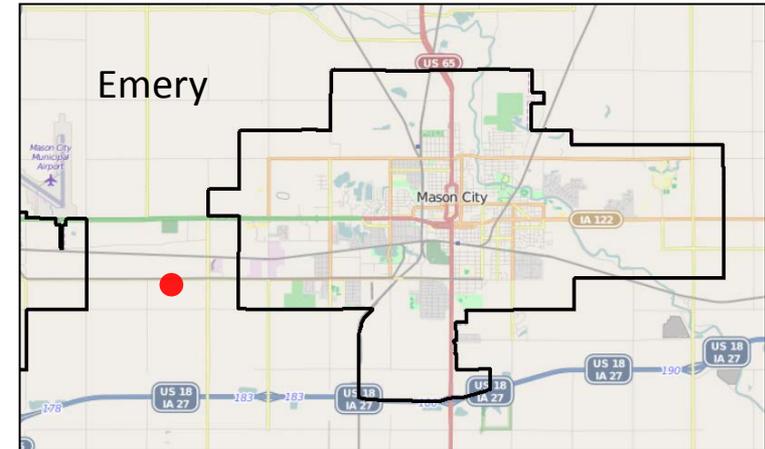
6 Funding Recommendation :

- Grant of: \$240,000
- Loan of: \$316,050



FY 2016 RRLG Funding Recommendation Iowa Traction Improvements

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FY 2016 RRLG Funding Recommendation
Iowa Traction Improvements

1 Project Summary:

- Installation of three switches, construction of 950 ft of new track and installation of a new bumping post to help support the ongoing transloading activities

2 Project Investment:

- \$119,306

3 Rail Project Cost:

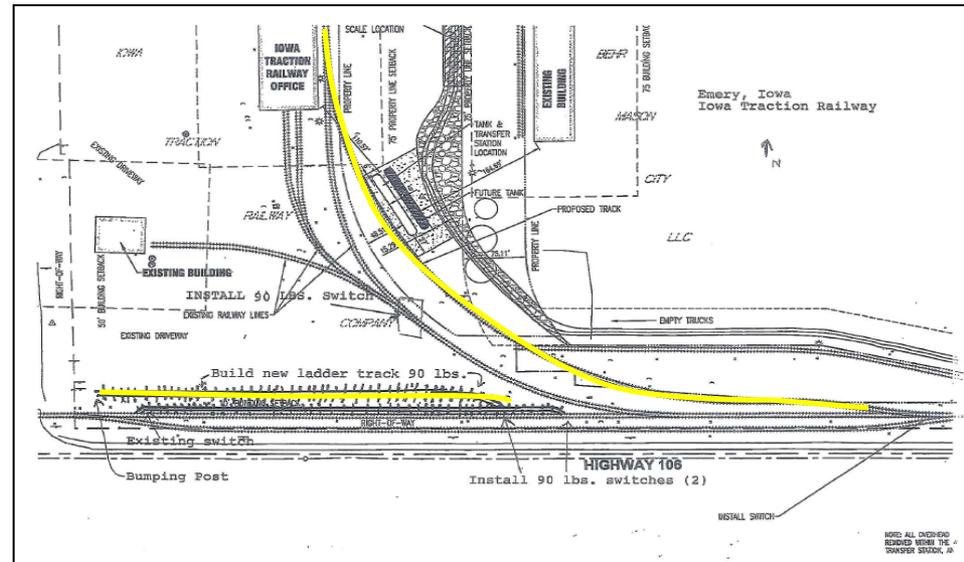
- \$119,306

4 Request:

- Loan: \$35,792
- Grant: \$59,653

5 Jobs:

- 10 new



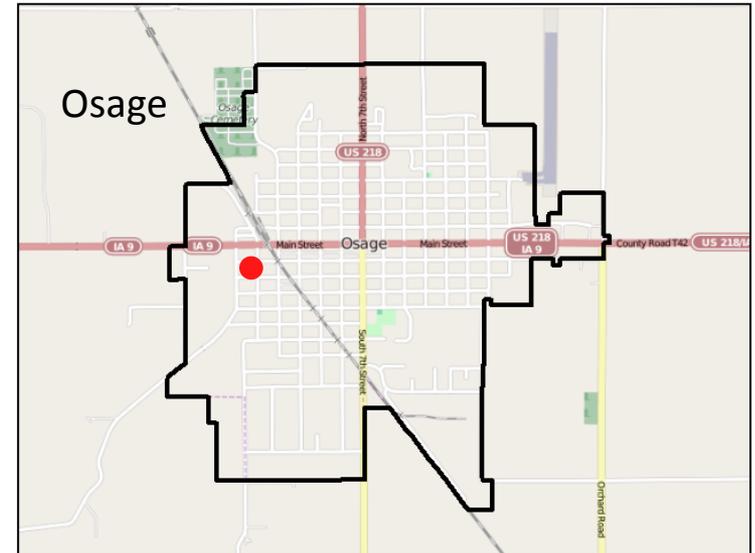
6 Funding Recommendation

- Loan: \$35,792
- Grant: \$59,653



Railroad Revolving Loan and Grant Program A to Z Rail Drying Rail Enhancement

13



14

FY 2016 RRLG Funding Recommendation A to Z Rail Drying Rail Enhancement

1 Project Summary:

- New rail spur to serve the A to Z Drying campus utilizing the existing switch upon CN recommendation.

2 Project Investment:

- \$419,375

3 Rail Project Cost:

- \$419,375

4 Loan Request:

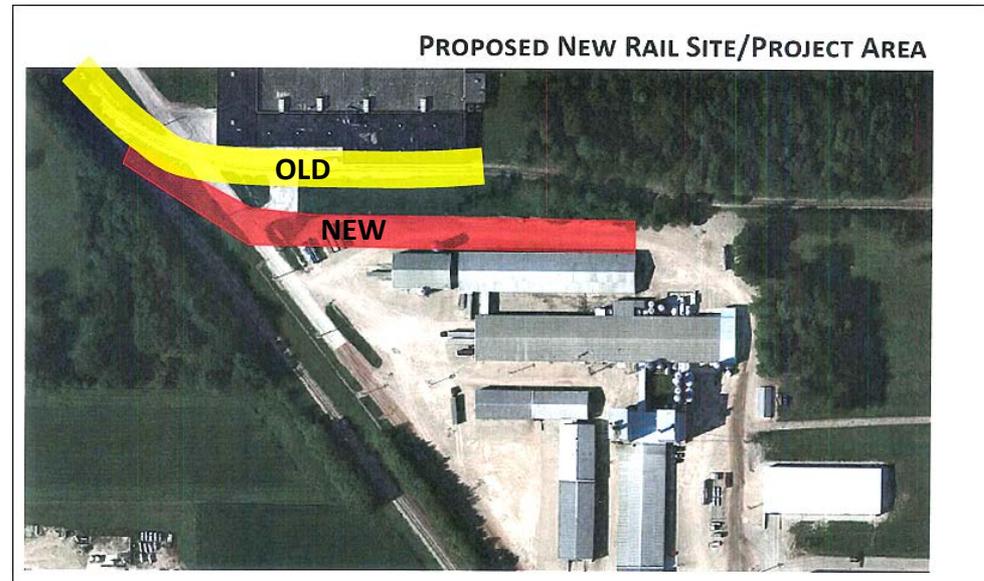
- \$200,000

5 Jobs:

- 8 new Jobs
- 23 retained

6 Funding Recommendation:

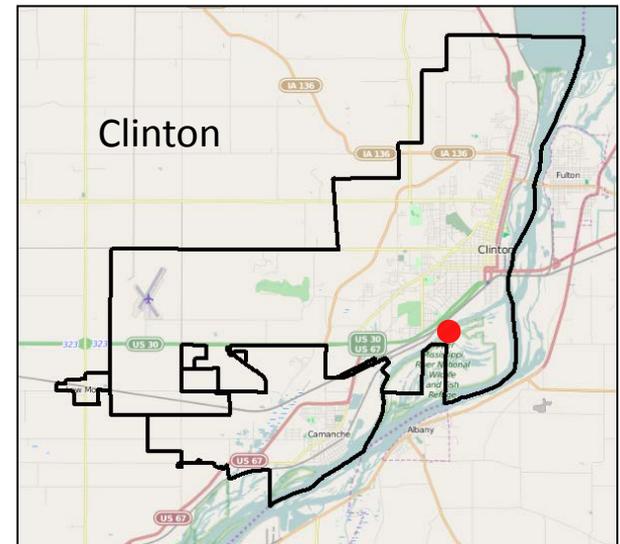
- Loan of: \$200,000





FY 2016 RRLG Funding Recommendation ADM "S" Curve Project

15

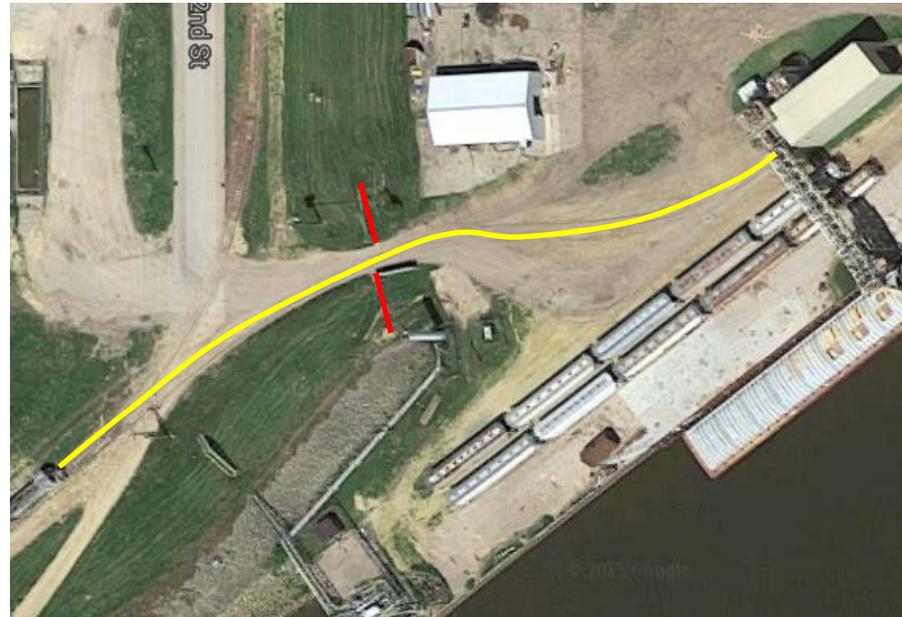




16

FY 2016 RRLG Funding Recommendation ADM "S" Curve Project

- 1** **Project Summary:**
 - Reconfiguration of the rail spur is required to straighten the curve so that multiple cars can transit the spur
- 2** **Project Investment:**
 - \$900,000
- 3** **Rail Project Cost:**
 - \$207,000
- 4** **Loan Request:**
 - \$165,600
- 5** **Funding Recommendation:**
 - Loan of: \$165,600





FY 2016 RRLG Funding Recommendation KJRY Yard Enhancements II

19





FY 2016 RRLG Funding Recommendation KJRY Yard Enhancements

20

- 1 Project Summary:** Replacement of four yard switches and improvements on the four corresponding yard tracks to enhance overall safety and capacity.
- 2 Project Investment:**
 - \$350,356
- 3 Rail Project Cost:**
 - \$350,357
- 4 Loan Request:**
 - \$280,285
- 5 Funding Recommendation:**
 - Loan of: \$280,285





FY 2016 RRLG Funding Recommendation
Funding Recommendation

FY 2016 DOT Funding Recommendation

<u>Project Name</u>	<u>Loan</u>	<u>Grant</u>
Boone Scenic Valley RR	\$316,050	\$240,000
Iowa Traction Rail Project	\$35,792	\$59,653
A to Z Rail Enhancement	\$200,000	-----
ADM "S" Curve	\$165,600	-----
KJRY Yard Enhancements Phase II	\$280,285	-----
Red Rock Industrial Park Phase I		Withdrawn
BJRY Rail Project		Withdrawn
Total RRLG Recommendation:	\$ 997,727	\$299,653
Total:		\$1,297,380



**FY 2016 RRLG Funding Recommendation
 Typical Project Timeline**

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2015

2016

October 2015
 Funding Recommendation

December 2015
 Award acceptance
 deadline ends.

June 2016
 Agreement Period Ends.
 All projects must have a
 signed agreement within
 180 days

November 2015
 Commission Approval.
 Applicants now have
 45 to formally accept
 their award

January 2016
 Applicants have 180 days
 to enter into a signed
 agreement with IDOT

45 days

180 days

3 years for
 construction



