



Railroad Revolving Loan and Grant Program

Access Rail builds connections to and within Iowa's freight rail system. Iowa's opportunity for funding these connections is the Railroad Revolving Loan and Grant Program (RRLG).

An appropriation for Access Rail provides these benefits

For businesses, access to a rail line or improved rail facilities can lower inbound and outbound shipping costs, and open new markets that help businesses be more profitable and grow.

For renewable energy manufacturers, rail access is vital to economical shipment of oversize wind turbine components, bulk quantities of ethanol, and high protein animal feed additives.

For communities, access to a rail line can spur job growth and development, as well as provide a positive recruitment "edge" for business expansion and new development.

For railroads, new customers lead to higher revenues that increase investment capacity for making improvements to Iowa's rail system. Direct loans assist railroads in increasing capacity and efficiency.

For Iowa, connections to the rail system extend the reach of Iowa's goods, help protect the environment by reducing congestion and emissions, and boost the state's economy.

History

The RRLG program was created in 2005 to spur economic development and job growth by connecting Iowa businesses to the rail network, and to support and strengthen Iowa's rail network. The program is funded with repayments of existing rail loans and legislative appropriations. After three years of assisting rail served businesses, in 2008 the program came to the rescue of flood-damaged regional and shortline railroads with nearly \$4 million in deferred repayment loans. In fiscal year 2011, a special appropriation allowed the program to assist in building rail infrastructure to accommodate the wind energy industry. Most recently, the program added planning grants to assist in assessing feasibility and initial development needs of rail facilities.

Recipients

Applicants throughout the state have included industrial parks, wind turbine manufacturers, a lumber company, agricultural cooperatives, meat processors, a metals fabricator, ethanol and biodiesel plants, chemical manufacturers, and small Iowa railroads. The map on the reverse side shows the applicants and awards from fiscal years 2006 to 2013.

The RRLG program encourages new and improved rail infrastructure, creates jobs and leverages substantial private investment in rail-served business and industry.



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For more information see iowadot.gov/iowarail.

Communities

"Industrial scale rail service is a key component to Sioux City's Southbridge Business Park's success. With the assistance of Rail Port funding, awarded through the Iowa DOT's Rail Revolving Loan and Grant Program, our community is positioned well for tremendous industrial growth."

Chris Myres, economic development specialist
City of Sioux City

Renewable Energy

"The partnership between the Cherokee Industrial Corporation, Quad County Corn Processors and the Railroad Revolving Loan and Grant program allowed us to build an upgraded rail spur and transload facility. In the past six months we have shipped over 11 million gallons of ethanol products by rail from the Cherokee location. The rail option has saved Quad County Corn \$550,000 in shipping costs, increasing profitability and creating new rail shipping opportunities for other local industries."

Rick Mongan, president
Cherokee Industrial Corporation

Transportation

"The Railroad Revolving Loan and Grant program helps CRANDIC in both the short and long-term. Our ability to obtain financing for large capital projects is critical to maintaining and growing our infrastructure. These loans allow us to meet our expanding business needs and our customers' needs."

Joe McGovern, chief operating officer
Cedar Rapids and Iowa City Railroad
(CRANDIC)

Accomplishments (Fiscal years 2006-2012)

			
100 applications 49 awards	\$68 million in assistance requested \$29 million awarded	Assisted in creation or retention of 1,729 jobs	Helped build \$96 million in rail infrastructure and leveraged \$703 million in other capital investment

Iowa Department of Transportation
 Railroad Revolving Loan and Grant Program (RRLG)
Funded Projects and Unfunded Applications
 Fiscal year 2006-2013

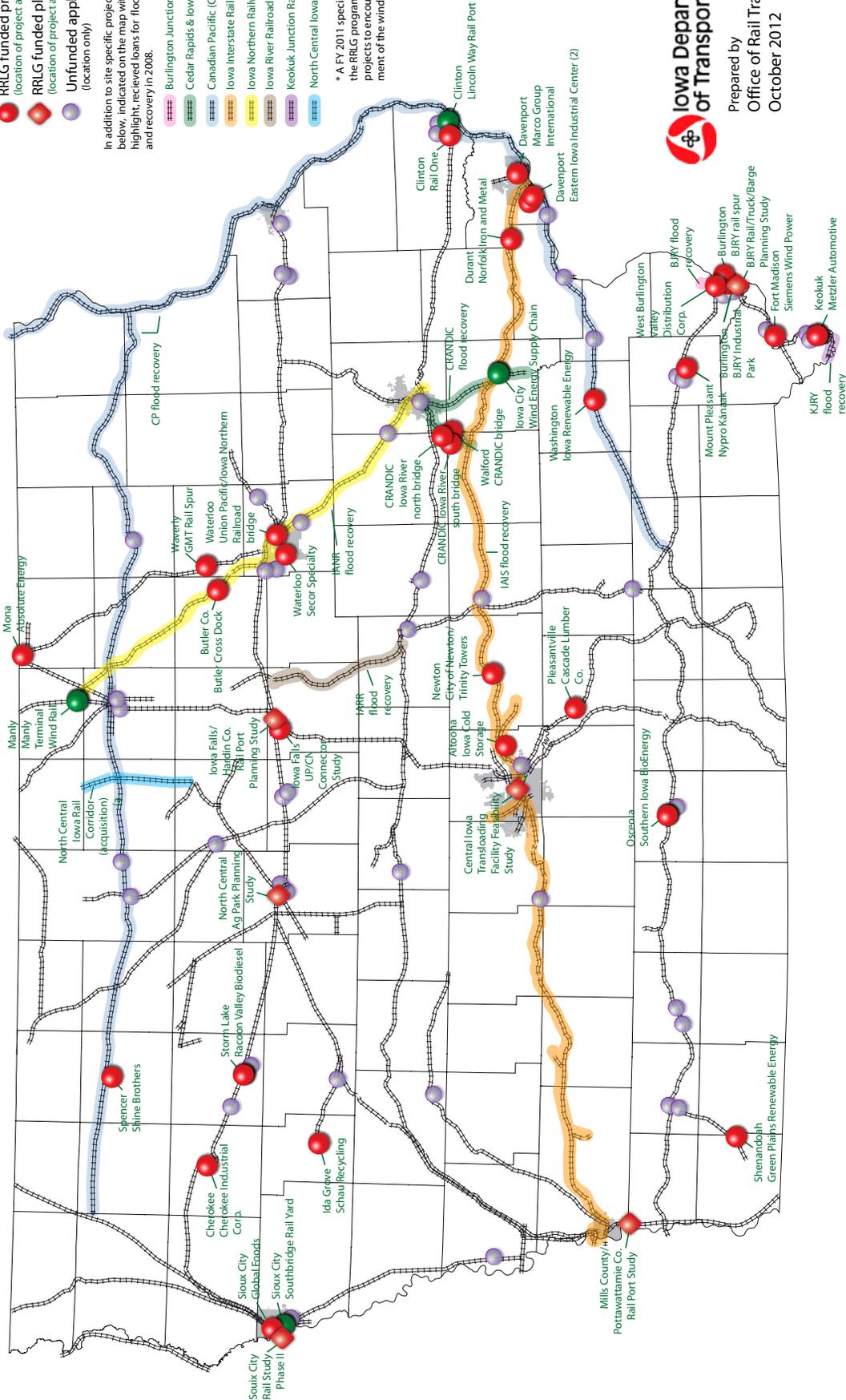
LEGEND

- Rail Port funded projects*
(location of project and recipient)
- RRLG funded projects
(location of project and recipient)
- RRLG funded planning studies
(location of project and recipient)
- Unfunded applications
(location only)

In addition to site-specific projects, the railroads below, indicated on the map with a colored highlight, received loans for flood restoration and recovery in 2008.

- Burlington Junction Railway (BJRY)
- Cedar Rapids & Iowa City (CRANDIC)
- Canadian Pacific (CP, formerly DM&E)
- Iowa Interstate Railroad (IAIS)
- Iowa Northern Railway (INAR)
- Iowa River Railroad (IARR)
- Keokuk Junction Railway (KJRY)
- North Central Iowa Rail Corridor (NCIRC)

* A FY 2011 special appropriation to the RRLG program funded rail port projects to encourage the development of the wind energy industry.



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