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NOTICE OF FUNDING AVAILABILITY: RAILROAD REVOLVING LOAN AND GRANT PROGRAM FY2027 (ROUND 2)

The Railroad Revolving Loan and Grant (RRLG) Program provides financial assistance to improve rail facilities that will create jobs, spur economic activity, and improve the rail transportation system in Iowa. The program is funded through appropriations from the state legislature and repayments from loans for rail development projects funded in the past. For the second FY 2027 round, we anticipate approximately $2 million available for eligible projects.

Applications for Targeted Jobs Creation/Retention and Rail Network Improvements ***submitted by 5:00 p.m. on Tuesday, December 08, 2026,*** will be reviewed. We anticipate recommendations for funding will be presented to the Iowa Transportation Commission in February 2027 with Commission action in March 2027.

Applications for Rail Port Planning and Development are accepted year-round and will be reviewed based on availability of funding.

The RRLG program has three funding categories under which eligible applicants may apply:

1) **Targeted Job Creation**: These rail projects are those that provide immediate, direct job opportunities. Funding is contingent on job creation and or retention commitments by the applicant. Both grants and loans are available. Grant requests require a 50% match contribution. Loan requests require a 20% match contribution.

2) **Rail Network Improvement:** These rail projects are those that support existing rail lines and service or improve industrial access when no direct job creation is required. Only loans are available in this category. Loans will be offered at 0% for a ten-year term. Loan requests require a 20% match contribution.

3) **Rail Port Planning and Development:** These studies will further efforts to plan, design and otherwise prepare for the development of rail port facilities. Grants will be available in this category. Grant requests require a 20% match contribution. No single award may be greater than $100,000.

Industries, railroads, local governments or economic development agencies are eligible to apply.

For detailed information on the Railroad Revolving Loan and Grants program and how to apply, please refer to Railroad Revolving Loan Grant Program (RRLG) | Department of Transportation

Please submit applications and required attachments to james.glaspie@iowadot.us or to:

James Glaspie
Iowa Department of Transportation
Modal Bureau – Rail Office
800 Lincoln Way
Ames, IA 50010

Thank you,

James E Glaspie Jr