

# Rail Revolving Loan and Grant Program

FY2025 Funding Recommendation

## History

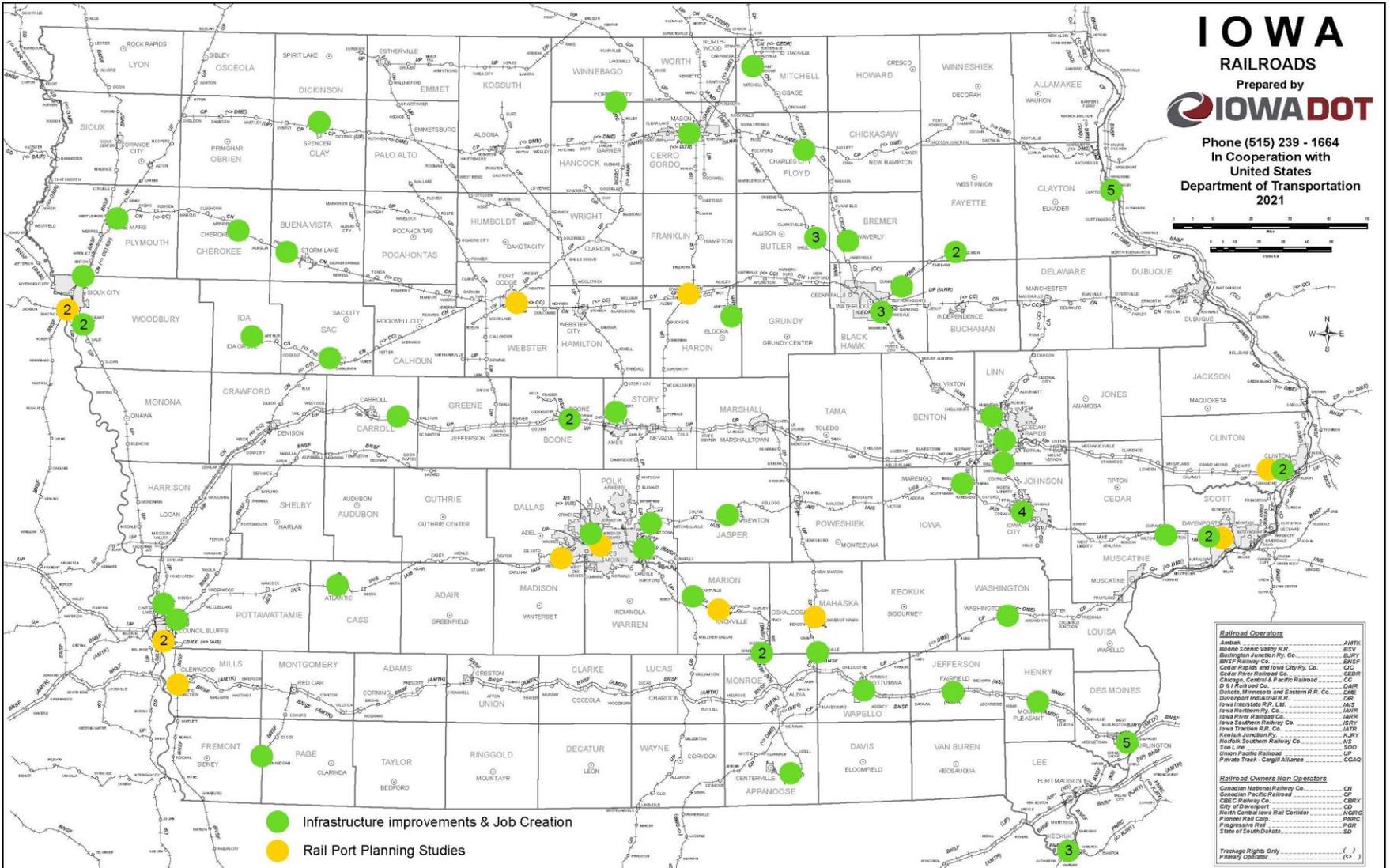
- Created in 2005 by an amendment to Iowa Code 327H.20 and follows Administrative Rule 761, Chapter 822.
- Created within what was Iowa Railway Finance Authority (IRFA).
- The IRFA was created in 1980 and was active until 2009.



# IOWA RAILROADS



Prepared by  
**IOWA DOT**  
 Phone (515) 239 - 1664  
 In Cooperation with  
 United States  
 Department of Transportation  
 2021



Railroad Operators	
Amtrak	AMTK
Boone Valley R.R.	BVRR
Chicago & North Western Ry. Co.	BN
BNP&F Railway Co.	BNP
Cedar Rapids and Iowa City Ry. Co.	CC
Cedar River Railroad Co.	CDR
Chicago, Central & Pacific Railroad Co.	CCP
D & A Railroad Co.	D&A
Dakota, Minnesota and Eastern R.R. Co.	DME
Davenport Industrial R.R.	DI
Iowa Interstate R.R. Ltd.	II
Iowa Northern Ry. Co.	INR
Iowa River Railroad Co.	IRR
Iowa Southern Railway Co.	ISR
Keokuk Junction Ry. Co.	KJR
Keokuk Southern Railway Co.	KS
Leo Line	LEO
Union Pacific Railroad	UP
Private Track - Carlin Alliance	CGAA

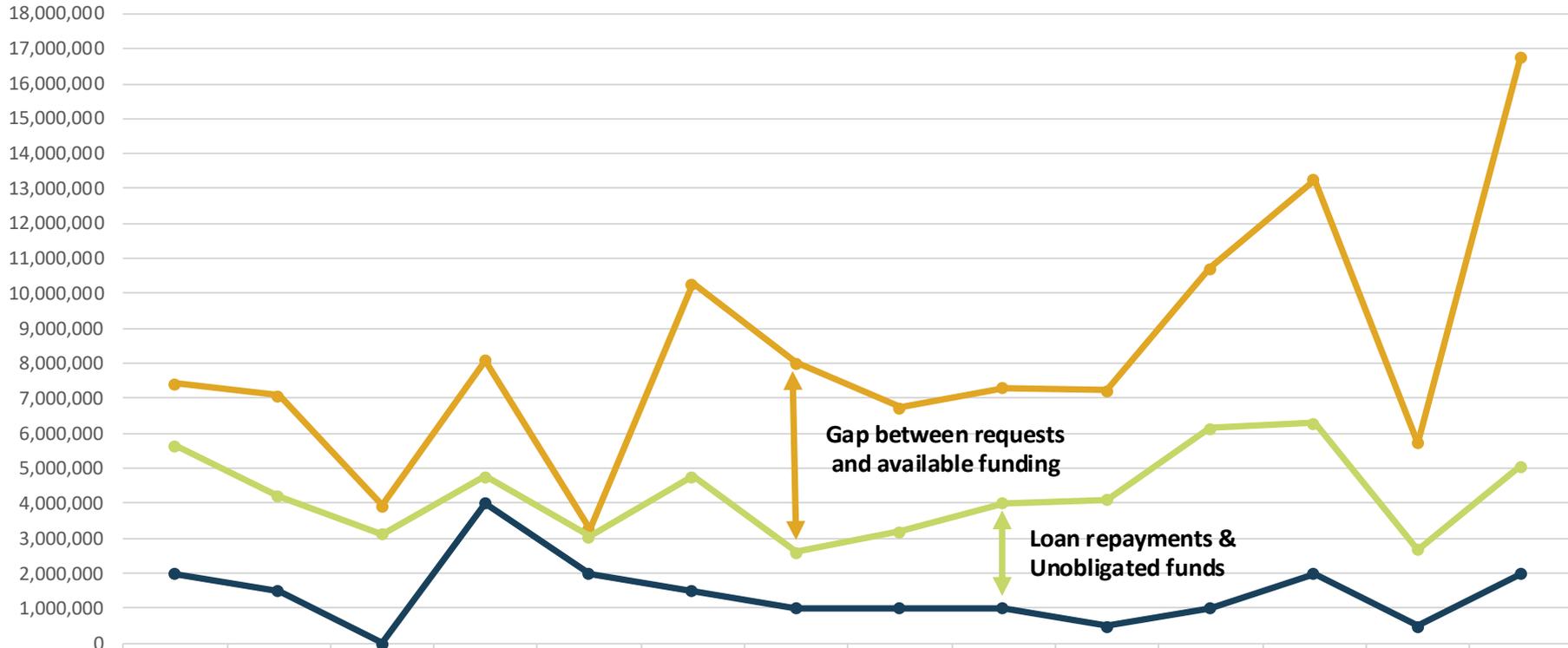
  

Railroad Owners Non-Operators	
Canadian National Railway Co.	CN
Canadian Pacific Railroad	CP
City of Davenport	CD
North Central Iowa Rail Corridor	NCIC
Planner Rail Corp.	PRNC
Progressive Rail	PR
State of South Dakota	SD

Trackage Rights Only	
Primary Operator	( )

### FY2012 to FY2025 Revolving Loan & Grant program funding



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Requests	\$7,422,29	\$7,091,10	\$3,945,40	\$8,100,00	\$3,260,00	\$10,270,0	\$8,018,00	\$6,745,64	\$7,301,02	\$7,242,90	\$10,730,7	\$13,250,2	\$5,722,00	\$16,787,1
Available	\$5,668,04	\$4,207,52	\$3,122,27	\$4,771,98	\$3,039,42	\$4,771,23	\$2,615,48	\$3,186,86	\$3,996,99	\$4,100,00	\$6,138,74	\$6,300,00	\$2,687,98	\$5,061,38
Appropriations	\$2,000,00	\$1,500,00	\$-	\$4,000,00	\$2,000,00	\$1,500,00	\$1,000,00	\$1,000,00	\$1,000,00	\$500,000	\$1,000,00	\$2,000,00	\$500,000	\$2,000,00

## **Parts of the Rail Revolving Loan and Grant Program**

- **(1) Targeted jobs creation and retention (grant)**
- **(2) Infrastructure creation or improvement (loan)**
- **(3) Rail port planning study (grant)**

Parts 1 and 2 can be combined.

# Available Funding and Application Summary

## Available Funding:

Annual appropriation	\$ 2,000,000
Unobligated	\$ 1,791,323
Loan Repayments	\$ 1,270,063
Total Available Funding	\$ 5,061,386

## Application Summary:

Total number of projects	7
Total rail project costs	\$ 29,950,801
Total amount requested	\$ 16,787,150

## Targeted Jobs Creation

PROJECT NAME	SPONSOR	TOTAL PROJECT COST	REQUESTED AMOUNT (% of Total Project Cost)	RECOMMENDED AMOUNT (% of Total Project Cost)
A-Line EDS Rail Spur	A-Line E.D.S. Waterloo	\$4,000,000	Grant \$60,000 (1.5%) Loan \$3,140,000 (78.5%)	Grant \$60,000 (1.5%) Loan \$1,249,000 (31.2%)
Appanoose County Rail Extension	Appanoose County Community Railroad Centerville	\$6,000,000	\$1,200,000 (20%) Grant only	\$600,000 (10%)
Rail realignment - flood protection gate	City of Cedar Rapids	\$10,500,000	\$5,000,000 (48%) Grant only	\$0

## Infrastructure Improvement Loan

PROJECT NAME	SPONSOR	TOTAL PROJECT COST	REQUESTED AMOUNT (% of Total Project Cost)	RECOMMENDED AMOUNT (% of Total Project Cost)
BJRY Rail Yard and Transload Expansion	Burlington Junction Railway Burlington (BJRY)	\$343,132	\$257,349 (75%)	\$257,349 (75%)
Heartland Co-op Greenfield Rail Loading Elevator	Heartland Co-op Millerton	\$50,000,000	\$4,624,782 (9%)	\$1,840,000 (4%)
Reid Line Dexter IA Rail Yard Improvements	Reid Line LLC Dexter	\$6,507,386	\$2,405,019 (37%)	\$957,000 (15%)

# Rail Port Planning and Development

PROJECT NAME	SPONSOR	TOTAL PROJECT COST	REQUESTED AMOUNT (% of Total Project Cost)	RECOMMENDED AMOUNT (% of Total Project Cost)
Webster City Rail Port Planning and Development Feasibility Study	City of Webster City	\$120,000	\$100,000 (80%)	\$100,000 (80%)

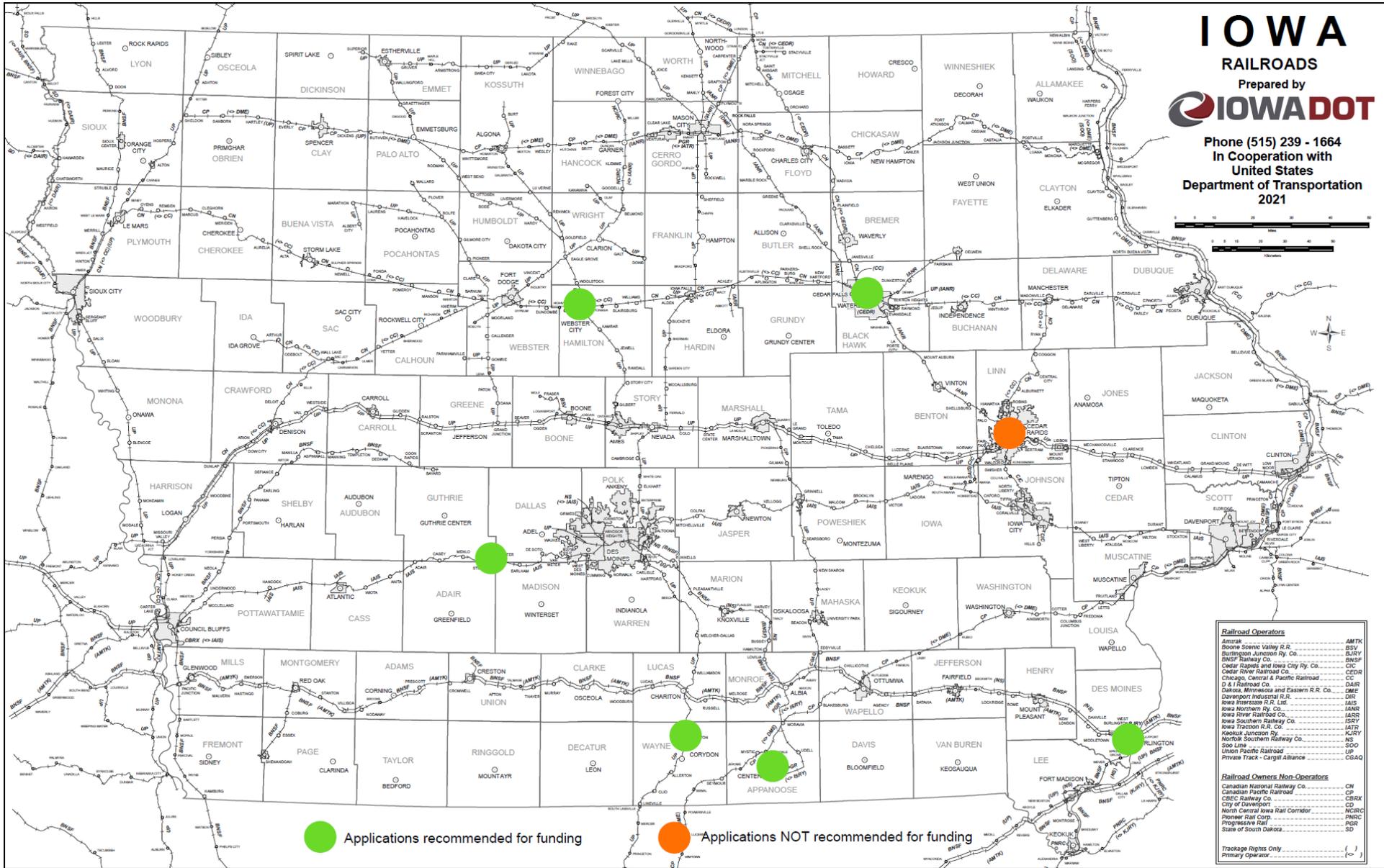
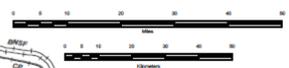
# IOWA

## RAILROADS

Prepared by



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2021



Applications recommended for funding

Applications NOT recommended for funding

Railroad Operators	
Amtrak	AMTK
Boone Scenic Valley R.R.	BSV
Burlington Junction Ry. Co.	BJR
BNP Railway Co.	BNP
Cedar Rapids and Iowa City Ry. Co.	CC
Cedar River Railroad Co.	CR
Chicago, Central & Pacific Railroad	CC&P
D & F Railroad Co.	DF
Dakota, Minnesota and Eastern R.R. Co.	DME
Davenport Industrial R.R.	DIR
Iowa Interstate R.R. Ltd.	IIS
Iowa Northern Ry. Co.	INR
Iowa River Railroad Co.	IRR
Iowa Southern Railway Co.	ISR
Iowa Traction R.R. Co.	ITR
Keokuk Junction Ry.	KJR
Northwestern Railway Co.	NS
San Luis Valley Railway Co.	SLV
Union Pacific Railroad	UP
Private Track - Carill Alliance	CGAQ

Railroad Owners Non-Operators	
Canadian National Railway Co.	CN
Canadian Pacific Railway Co.	CP
CSX Railway Co.	CSX
City of Davenport	CD
North Central Iowa Rail Corridor	NCIC
Pioneer Rail Corp.	PNRC
Progressive Rail	PR
State of South Dakota	SD

Package Rights Only	
Primary Operator	( )

*Thank you!*

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Questions?



**IOWA | DOT**



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## Appanoose County Community Railroad (Centerville)

This project would add a new rail spur and up to 6-miles of new track connecting Iowa Southern Railway (IASR) to proposed industrial sites East of Centerville, with connection to Canadian Pacific Kansas City (CPKC). Two large agricultural produces are nearing the commitment stage in the development of these sites.

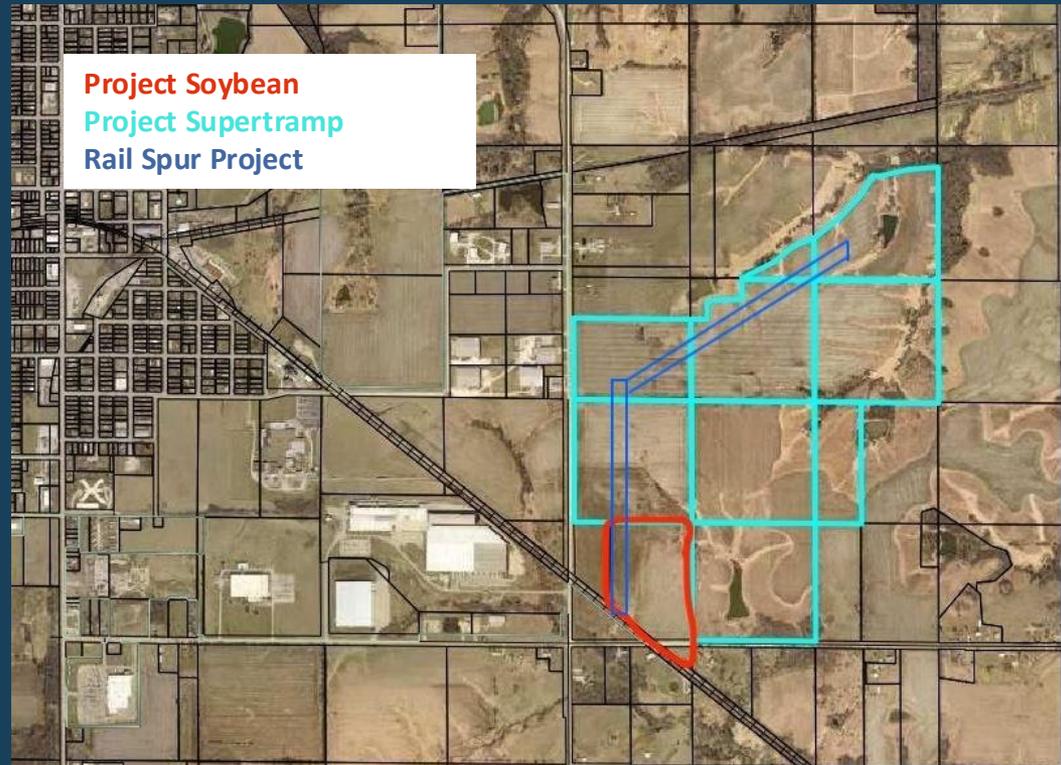
**Total Rail Cost: \$ 6,000,000**

**Requested Grant: \$ 1,200,000 (20%)**

**Jobs Creation: 100**

Appanoose County Community Railroad was awarded an earmark of \$6,000,000, and will be administered through the FRA using a CRISI grant. Part of RRLG will serve as the match required for the CRISI grant.

Federal Railroad Administration (FRA)  
Consolidated Rail Infrastructure and Safety Improvements (CRISI)



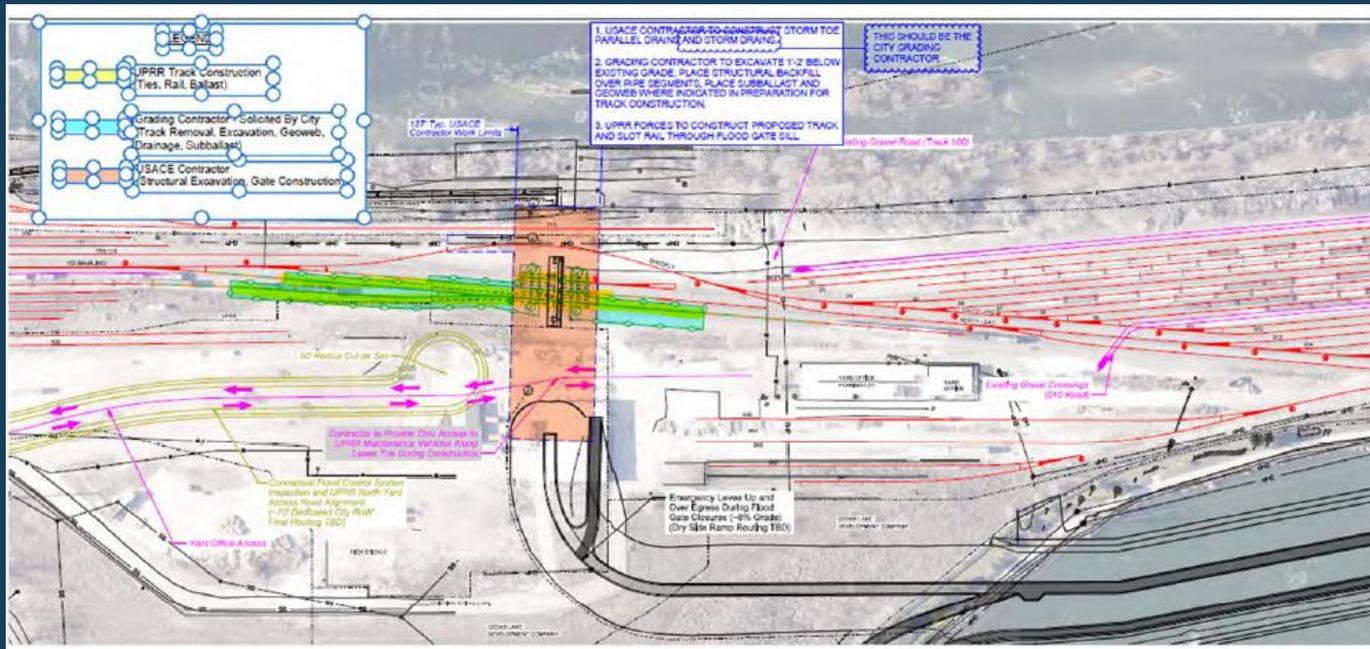
# City of Cedar Rapids

This project involves constructing the line of protection through the existing Union Pacific (UPRR) Railyard, North of the PepsiCo Quaker processing plant. Costs include temporary shoofly around the gate site and the realignment of through the gate site upon completion. Rail costs do not include the flood gate.

**Total Rail Cost: \$ 10,500,000**

**Requested Grant: \$ 5,000,000 (50%)**

**Jobs Retained: 940**

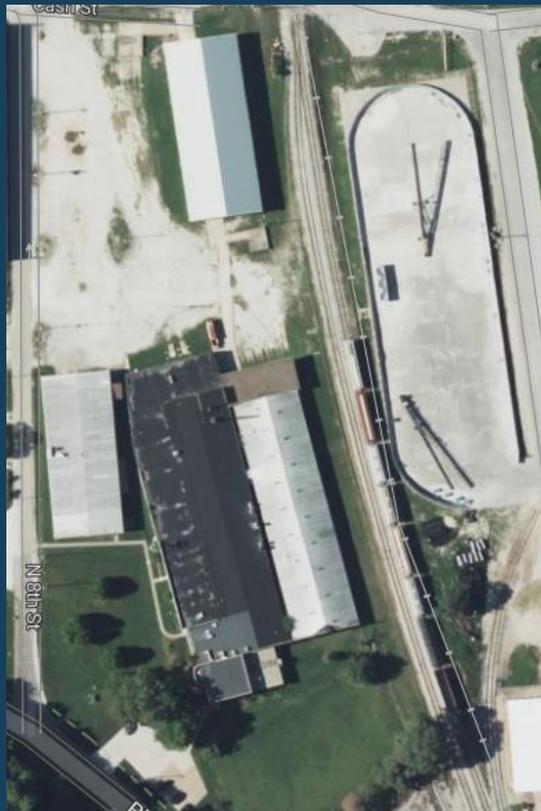


## Burlington Junction Railway BJRY (Burlington)

This project will demolish a 19,000 SF building and construct a spur into a 16,000 SF building to the North for use as a transload facility.

**Total Rail Cost: \$ 343,132.50**

**Requested Loan: \$ 257,349.00 (75%)**

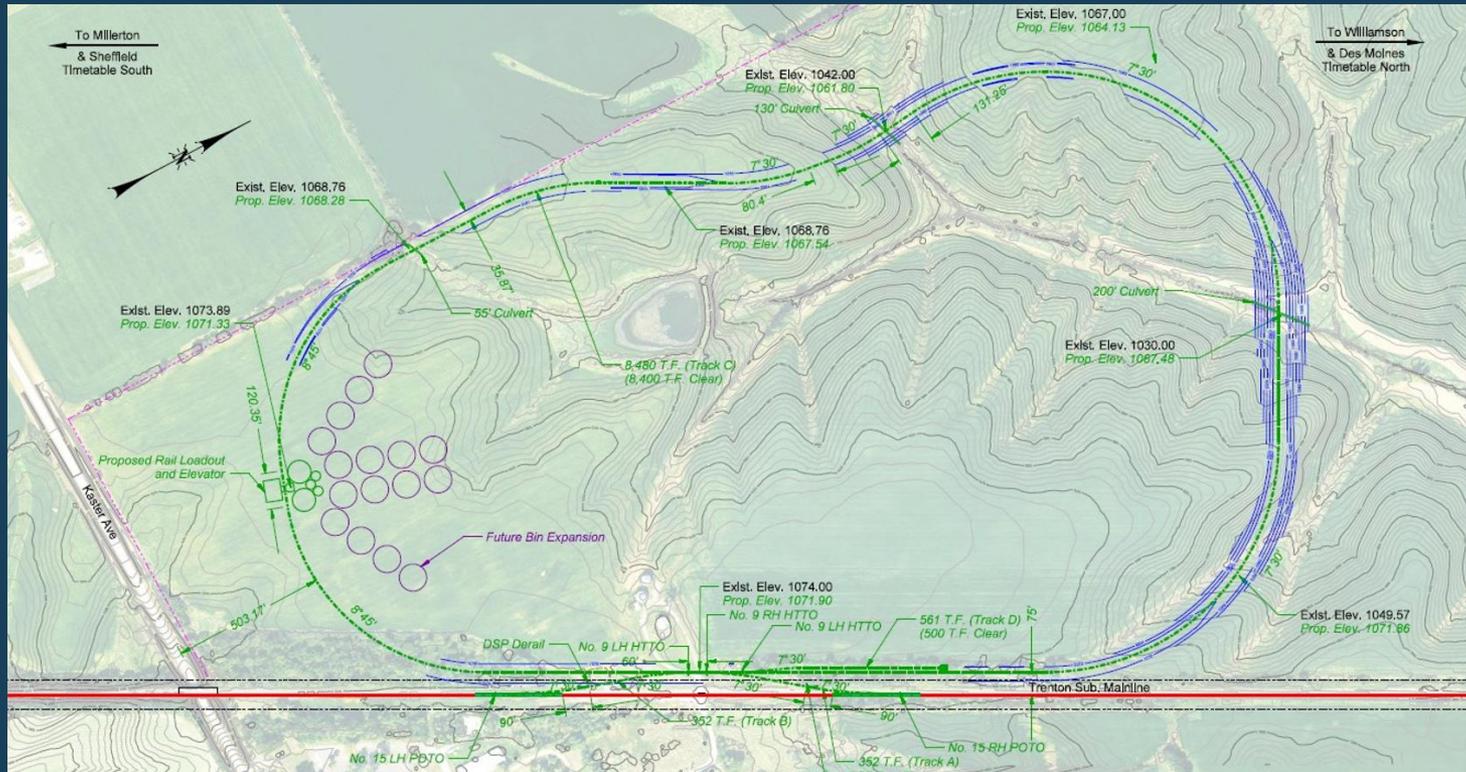


# Heartland Co-op Greenfield Rail Loading Elevator (Millerton)

This project will construct a loading facility and unit train capable loop track with a connection to Union Pacific (UPRR), Northeast of Millerton.

**Total Rail Cost: \$ 5,780,977**

**Requested Loan: \$ 4,624,782 (80%)**



## Reid Line Dexter Rail Yard Improvements (Dexter)

This project will make improvements to an existing spur and add additional rail car storage, an under track unloading pit and support a potential rail accessible warehouse. The area rail service provider is Iowa Interstate RR Ltd (IAIS).

**Total Rail Cost: \$ 3,206,692**  
**Requested Loan: \$ 2,405,019**  
**(75%)**

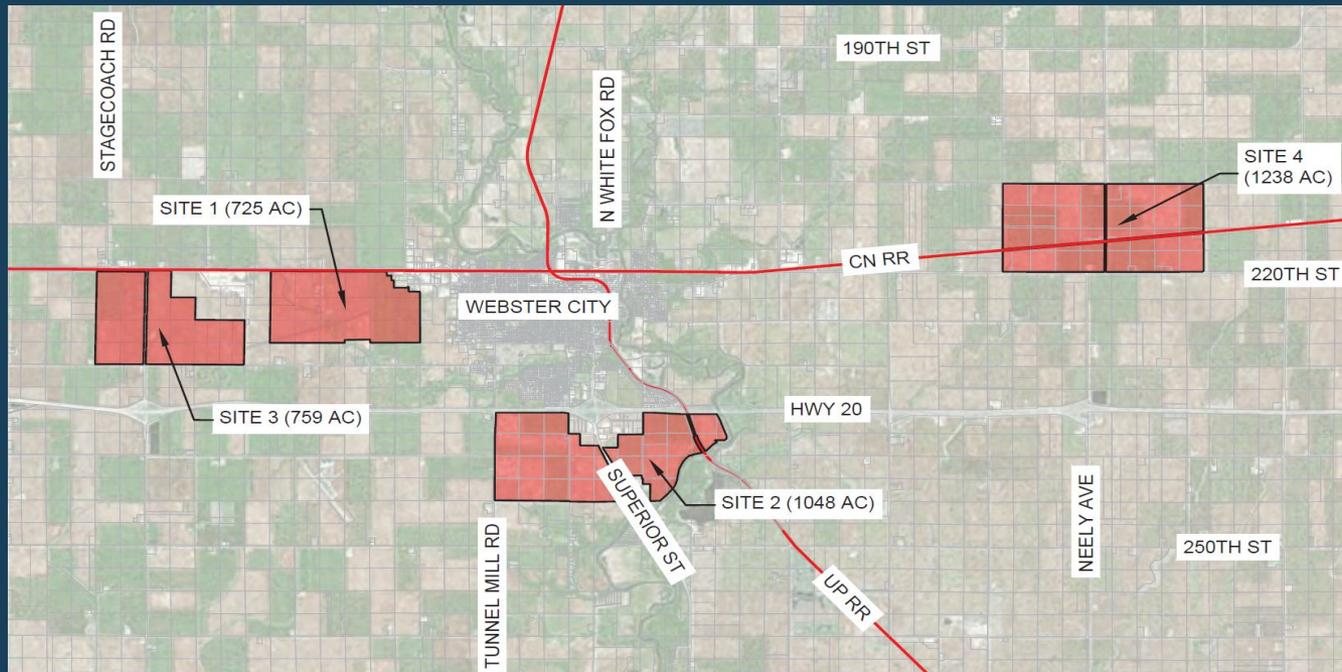


## City of Webster City

The purpose of the study is to identify both local and nonlocal businesses in and around Webster City, Iowa whose operations could be improved with the addition of a rail service. Once identified, the study will investigate four site locations to determine which is the most operational cost feasible for construction of a rail port facility. The area rail service providers are Canadian National (CN) and Union Pacific (UP).

**Total study Cost: \$ 120,000**

**Requested Loan: \$ 100,000 (80%)**



## What are the results?

RRLG-ST23(01)--9T-11 Platinum Crush, LLC  
Project closed out 03/18/2024

Alta, Buena Vista County  
RRLG funding \$2,000,000 (loan) & \$612,000 (grant)

The Platinum Crush facility at Alta, Iowa processes soybeans into soybean oil and soybean meal. The total onsite storage of unprocessed soybeans is 5.1 million bushels. While running at full capacity, this plant can process those 5.1 million bushels in 45 days. The oil and meal will leave the facility using rail. Built at an estimated cost of more than \$14 million, the seven track, 50,147-foot loop track can accommodate 5-unit trains on site. This facility will also create 51 jobs at an average wage of \$22.32/hour.



- **(1) Targeted jobs creation and retention (grant)**
  - Infrastructure creation or improvement that create jobs
  - Requires a 50% match and payroll verifications within 3 years following completion
  - Can provide up to \$12,000 per job created or retained
  - 3-year completion window after a funding agreement is executed
  - Funded once per fiscal year

- **(2) Infrastructure creation or improvement (loan)**
  - Infrastructure creation or improvement that does not create jobs
  - Requires a 20% match
  - No maximum request amount
  - 3-year completion window after a funding agreement is executed
  - Following completion, interest free loan for 10 years
  - Funded once per fiscal year

Grants for job creation and retention (part 1) can be combined with an infrastructure improvement loan (part 2).

- **(3) Rail port planning study (grant)**
  - \$100,000 max amount of award
  - Requires a 20% match
  - 18-month completion window after a funding agreement is executed
  - Can be approved any time of the year based on funding availability