

RAIL LOAN PROGRAMS



Funding for NDDOT's rail loan programs is limited and is primarily intended to be used to upgrade and enhance rail infrastructure that maintains or improves rail service. Maximum loan amounts of \$5 million or less for projects that fit the following three categories.



System Critical

Railroads and rail authorities only eligible

These projects are critical to a railroad's existence. They maintain or expand service, improve system connectivity, and/or enhance financial stability. They also may include rail relay, major structure rehabilitation or construction, new rail connections, track realignment, etc. Loan terms are 0% interest with a rail cost share maximum of 80% and repayment in 15 years.

Infrastructure Improvement

Railroads, units of government, and rail authorities only eligible

These projects may include structure repairs, tie and ballast replacement, switches, short segments of rail replacement, etc. Loan terms are half of prime (never more than 4.5%) interest with a rail cost share maximum of 80% and repayment in 15 years.

Economic Development

All applicants eligible

These projects may include new sidings, siding extensions or upgrades, switches, loop and ladder tracks, access roads, active warning devices for new facility crossings, equipment – locomotives, maintenance of way equipment, roadway safety improvements adjacent to existing rail infrastructure, etc. They may improve safety and result in decreased trucking impacts on state and local roadway infrastructure. Loan terms are half of prime (never more than 4.5%) interest with a rail cost share maximum of 70% and repayment in 10 years.

For questions or to proceed with an application, contact:

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For more information on NDDOT's rail loan programs go to:

<http://www.dot.nd.gov/divisions/planning/docs/NDDOTRailFundLoanApplicationInstructions.pdf>