

FREIGHT RAIL SERVICE REVOLVING LOAN PROGRAM

The Mississippi Freight Rail Service Projects Revolving Loan Program (RAIL), administered by the Mississippi Development Authority (MDA), is designed for making loans and grants to municipalities and/or counties (the "Applicant") to finance freight rail service projects in the State of Mississippi. Counties and municipalities are encouraged to use these funds in connection with other state and federal programs.

Eligibility

The governing authority of a municipality or county is eligible to apply for this program.

Eligible Projects

A project, which involves the acquisition, construction, installation, operation, modification, renovation or rehabilitation of any freight rail service facilities.

A project, which may include any fixtures, machinery or equipment, used in conjunction with any freight rail service facilities.

Any project for any freight transportation purpose.

Construction costs (including reasonable and customary site work for buildings, right of ways, easements, etc.)

Up to 8% of the principal loan amount for design work, i.e. engineer or architect. Engineering and/or architectural costs above 8% will be paid from other funding sources.

TERMS:	Maximum term: 15 years or estimated life of project, whichever is less.
AMOUNT:	Cumulative maximum loan amount: \$1,000,000 per project per calendar year.
RATE:	Interest rate shall be 1% below the Federal Reserve Discount Rate at the time of loan approval.
FUNDING:	Funding is derived from the issuance of state general obligation bonds.

To apply for this program, the eligible entity should contact MDA for additional program information.

Statute: Section 57-44-1 et seq. MS Code