**Application Due Date: November 15, 2024, by 5 pm., late applications will not be accepted.**

**For a digital copy of this application, email** **hkuklo@mt.gov****.**

Preliminary applications are designed to clearly demonstrate loan eligibility and project readiness. Projects must be compliant with Montana Code Annotated 60-11-113 through 120 and the MEFRL Program Guidelines. The information requested below will be used to preliminarily assess proposals in step 1 of the review process. MDT will request full applications, in step 2, for projects found eligible and ready or construction. Full applications require details about the organization, project, project costs and benefits, security, and repayment. Loans recommended for approval to the Transportation Commission are dependent upon complete applications and the applicant’s ability to provide information, as requested.

In this preliminary application request, applicants should respond as completely as possible but are not asked to invest in detailed project planning and development (this will occur in step 2 for successful projects). So that staff can effectively review application content, responses should be clearly organized, legible, and address all requests for information. **Incomplete or illegible applications will not be accepted.**

*Complete, sign, and submit pages 2 through 5 of this application, including all attachments and requested information, by the deadline, via:*

Montana’s File Transfer Service, <https://transfer.mt.gov/Home/Login>

*By mail or in person to:*

Montana Department of Transportation

Multimodal Planning Bureau

C/O Heather Kuklo

2701 Prospect Avenue

PO Box 201001

Helena, MT 59620-1001

Questions and inquiries may be sent to Heather Kuklo, at hkuklo@mt.gov or (406) 444-3439.

#### **Applicant and Project Eligibility Information**

Complete items A. through D., by checking the appropriate response and filling in the fields, as appropriate.

1. Applicant Contact Information:

Legal name of applicant organization:

Project manager/contact:

Contact e-mail:       Phone:

Applicant mailing address:

1. Has your agency and/or the project proposed in this application previously participated in the MEFRL program?

[ ]  Yes, agency If yes, what year

[ ]  Yes, project If yes, what year

[ ]  No

1. Eligible applicants and branch lines are owners or operators of the branch line railroad which the applicant derives revenue from continued operation of the line and on which the line carried between three and five million gross tons per mile of freight the previous calendar year.

Applicant is a:

[ ]  Railroad

[ ]  City

[ ]  County

[ ]  Private company

[ ]  Regional rail authority

[ ]  Port authority (the port authority must be included in the state transportation planning process and the purpose for which a loan is sought is integrally related to the railroad transportation system of the state.

Does the applicant derive revenue from the continued operation of the branch line, proposed in this application?

[ ]  Yes [ ]  No

How many gross tons per mile did the railroad branch line, included in this proposal, carry in the previous calendar year (describe how this amount was determined)?

1. Project Type:

The project identified in this application must preserve and ensure continued operation of a railroad branch line(s) by the development, improvement, construction, purchase, maintenance, or rehabilitation of one or more of the following components (check all that apply):

[ ]  Intermodal transportation facilities

[ ]  Branch lines or short lines

[ ]  Sidings

[ ]  Light density railroad lines

[ ]  Rolling stock, including rail cars

1. The railroad branch line affected by or serving this proposed project must be active and viable. Have you or are you planning to file an abandonment notice with the Surface Transportation Board for the railroad line affected by this project?

[ ]  Yes [ ]  No

1. Are there currently any liens, interest, or loans on any of the real property included in this application?

[ ]  Yes [ ]  No

1. For projects which receive a MEFRL loan, construction must occur after and within one year of contract execution. Is the project in a position to meet this timeline?

[ ]  Yes [ ]  No

**Detailed Project Information**

On a separate sheet of paper, provide all the information that is identified below. Itemize and label each of your responses, as labeled below. For instance, items A. and B. of Section I, will be titled “Section I.A” and “Section I.B.” in your responses.

#### **Section I. Project Description**

1. Provide a detailed description of the project and the proposed use of the loan funds including location, maps, and a diagram of the project (if applicable).
2. Provide the estimated start and end date of project construction.
3. Attach project budget information, including total project cost, a list of match sources and their amounts, MEFRL requested amount. Rehabilitation and improvement projects require a 30% loan-to-value match. New construction projects require a 50% loan-to-value match. The value of applicant-provided construction engineering costs and construction materials may be applied towards the match.

#### **Section II. Benefits of the Project**

1. Describe general benefits and savings that will be created by the project.
2. Describe how the project will: promote economic development and Montana competitiveness; preserve rail or enhance rail service to Montana communities and rural areas; enhance safety and the environment.

C. Describe any known environmental impacts of the project.

#### **Section III. Repayment, Match, and Security**

A. Attach financial information, an operating plan, or business plan that demonstrates repayment ability.

B. Describe projected revenues for at least the proposed loan term and attach documentation of projected revenues and methodology.

1. Describe the collateral proposed to secure the loan and attach proof of value (if other than investments to be made).

**Certifications and Understandings**

By signing below, the applicant understands, represents, and agrees that:

1. All information contained above and attached hereto is true and complete. There is no intent to deceive or defraud the program, the state, or any project participant.
2. The individual and agency submitting this application has the legal authority to do so.
3. The project described in this application meets the requirements as identified in Montana Code Annotated 60-11-113 through 120 and has adhered to all the requirements outlined in this application.
4. The MEFRL program is a competitive loan program with limited funding. This means that not all project applications will receive a loan. Loans are not guaranteed.
5. Applicants that fail to provide requested information by identified deadlines, or which are incomplete or illegible, may, at the discretion of MDT, be disqualified from program participation.
6. To ensure due diligence when evaluating applicants for loans MDT will consider past performance, in the MEFRL or other MDT programs (if any), will be considered when determining an applicant’s eligibility for a loan.
7. Compliance with federal, state, local, and tribal laws and regulations is a basic requirement of loan eligibility.
8. MDT will assess the feasibility of continued rail facility use and traffic volumes.
9. An independent feasibility study may be requested by MDT.
10. Project evaluations will include an environmental review and an assessment of financial statements.
11. Projects will undergo a benefit cost analysis (BCA). Projects that receive a BCA equal to or less than 1.0 will not be considered for a loan.
12. Project applications will be reviewed with input from Montana’s Department of Commerce, Department of Agriculture, and the Governor’s Office.
13. Projects awarded a loan contract will have a ten-year payback schedule and term. Contracts will include reporting requirements and a loan administrative fee for the life of the contract term.
14. Successful projects will be recommended by MEFRL program staff to the Montana Transportation Commission, which has the authority to approve loan contracts.

**Applicant Signature:**

Duly authorized applicant signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:

Printed name and title:

Organization:

Email:       Telephone number: