



FREIGHT ECONOMIC DEVELOPMENT PROGRAM

Through its Freight Economic Development Program, the Michigan Department of Transportation loaned over \$3.9 million in fiscal year 2014 to help new and expanding businesses gain access to the rail system. Nine companies were awarded loans to cover approximately 50% of track work at facilities throughout the state, including Marquette, Kent, Saginaw, Van Buren, and Wayne counties. These loans can be forgiven if shipping commitments are met over the five-year repayment period. Most of the projects will rehabilitate and/or construct rail spurs to ship products like farm products, nonmetallic ores and primary metals. These projects are projected to support approximately 460 new positions throughout the state and ship over 4800 carloads of freight via rail.¹

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¹ The FY 2014 job and carloading numbers are higher than would be expected due to one project that supports significant new mining activities in Marquette County.

**STANDARD INFORMATION ITEMS REQUESTED
FOR FREIGHT ECONOMIC DEVELOPMENT LOAN APPLICATIONS
MICHIGAN DEPARTMENT OF TRANSPORTATION**

- **Identity of applicant (industry, city, EDC, etc.).** Please note that the applicant must have control of the property on which the rail improvements that are the subject of this application will be constructed, either through ownership, easement or long-term lease.
- **Description of proposed project (including rough plans).** If the proposed project includes a new public grade crossing or will impact an existing public crossing, please contact MDOT's Rail Safety Section at (517) 335-2592 to request a diagnostic study team review. This process could take up to three months.
- **Amount of loan/grant funding requested (including general cost breakdown).**
- **Proposed users of facility and number of rail carloads each commits to generate annually.**
- **The public use of, or benefit from, the facility as perceived by the applicant.**
- **Projected employment and other economic development information relating to the project.**
- **Identities of other partners in the project and details of their contributions, as well as the contribution of the applicant.** Be sure to include contributions, if any, from the serving railroad.
- **A commitment from the applicant to provide collateral for the loan in the form of an irrevocable letter of credit.**
- **Information to show that other transportation options have been considered and why rail is deemed to be the preferred option.**
- **Projected dates for the construction of the rail improvements and for the start-up of the new or expanded facility.**