



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY
LANSING

SUSAN CORBIN
DIRECTOR

MEMORANDUM

DATE: September 10, 2024

TO: The Honorable Sarah Anthony, Chair
Senate Appropriations Committee

The Honorable Angela Witwer, Chair
House Appropriations Committee

FROM: Greg Rivet, Director
Bureau of Administrative Services
Department of Labor and Economic Opportunity

SUBJECT: PA 119 of 2023, Sec. 1011 (5) – Funding Status High Speed Rail & Rapid Bus Transit Service

Pursuant to Public Act 119 of 2023, Section 1011 (5) please find attached the required report from the Department of Labor and Economic Opportunity (LEO) in cooperation with the Michigan Department of Transportation (MDOT).

Should you have any questions regarding this report or need additional information please contact Jayshona Hicks, LEO Director of Legislative Affairs, at (248) 200-9134 or HicksJ15@michigan.gov

cc: Senate Appropriations Committee
House Appropriations Committee
Jen Flood, State Budget Director
Kathryn Summers, Senate Fiscal Agency
Mary Ann Cleary, House Fiscal Agency
Jean Ruestman, Administrator, Office of Passenger Transportation, MDOT



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PA 119 of 2023 Sec. 1011 (5) Not later than September 30, the department and the department of transportation shall provide a report to the house and senate appropriations committee on the status of funds allocated under this section and actions taken to leverage other sources of funds to support high speed rail or rapid bus transit service.

The Michigan Department of Labor and Economic Opportunity (LEO) received \$20 million in PA 119 of 2023, for transformational projects including high speed rail and rapid transit bus service. LEO entered into an interagency agreement with Michigan Department of Transportation to administer those funds.

Sen. McMorrow, legislative sponsor, originally agreed that the funds could be used to match a large federal grant for the Regional Transit Authority (RTA) for Southeast Michigan. Unfortunately, the RTA did not receive the federal grant award. During following up conversations between Sen McMorrow and the Michigan Infrastructure Office it was agreed that the best use of the funds would be the proposed intermodal facility on the Michigan Central Campus in Detroit. Although the legislation is written in a way that favors high speed rail and bus rapid transit solutions for regional transportation, this intermodal facility would accommodate multiple modes of transportation and would improve public access to those modes. This facility would be the hub from which future high speed rail and innovative mobility solutions could be developed and accessed by the public. It will also facilitate a strong partnership with the City of Detroit and Michigan Central's vision for a larger economic development project in this area that includes new mixed-income housing, new streets, and a parking ramp to accommodate both passengers and visitors to the area.

This funding will be used on the portion of the proposed facility that will accommodate the new/proposed Amtrak service to Canada as well as intercity bus service which provides citizens affordable connections to the national transportation network. The "transit hub" will house the passenger waiting area and other accommodations such as restrooms, ticket sales, and security for both rail and intercity bus/transit and potentially retail space, community rooms, micromobility accommodations and other innovative technologies to improve the rider experience. The estimated cost range for the "transit hub", intercity parking, and train platforms is around \$40 million.

The City and Michigan Central will also be investing in the area above and adjacent to the hub, and Amtrak has also indicated investing (public-private agreements will be utilized). Additionally, there is a potential to utilize a previously awarded \$10,000,000 federal RAISE grant that was awarded for an intermodal project at a different location in Detroit that has since been deemed less desirable than this location. MDOT has been meeting with the Federal Transit Administration in that regard. MDOT is also investigating other funding sources from both public and private sources.