

FREIGHT ECONOMIC DEVELOPMENT APPLICATION RAIL CUSTOMER INFRASTRUCTURE ASSISTANCE

The Michigan Department of Transportation's Freight Economic Development Program (FEDP) helps connect new or expanding businesses to Michigan's rail system. The Grant Program can cover up to fifty (50) percent of costs associated with rail infrastructure, like rail spurs. MDOT's actual payment is determined by the degree to which Service Outcomes, measured as rail volume, are met over 5-years. Projects are evaluated based on the public benefits, like job creation and rail volumes, relative to costs. The Program's goal is to enhance the viability of Michigan's rail system by facilitating its use.

FEDP can cover up to 50% of material, labor and equipment associated with the installation or rehabilitation of rail-customer infrastructure. Eligible costs include (turnouts including mainline turnouts), track, ties and ballast, and related permanently-affixed equipment, like unloading pits, specific to rail. Ineligible work items include engineering and car movers. Not all eligible costs will necessarily be approved as part of the FEDP project.

Carloads are reported annually over a 5-year period and compared against the agreed Service Outcomes to determine final grant awards. Funds can be distributed as annual installments over the reporting period. Or, if assistance is needed up front, funds can be disbursed after construction with potential grant payback. If agreed Service Outcomes are not realized, payback for a portion of the grant is due to MDOT within 90-days of the reporting year's end with interest applied at 2% below prime.

A baseline for carloads will be established for facilities that are already rail-served or when carloads are transferring from another Michigan facility owned by the applicant. For purposes of FEDP, new carloads should reflect the increased volume to the statewide rail system after the proposed projects are complete.

Applicants must own; hold an easement; have a long-term lease; or otherwise control the property in which improvements are proposed. Applicants can be rail customers or entities, like local units of governments and railroads, that control the property and are assisting the rail customer.

If proposed projects impact or create a railroad crossing of a public roadway, [requests](#) need to be submitted to MDOT's Rail Safety Section (MDOT Form 1425).

Applications are accepted at any time. MDOT recommends projects to the State Transportation Commission based on public benefit relative to costs. Applications are evaluated for job creation; job retention (if state is at risk of losing jobs); increased rail volume to the state's rail system; and other public benefits identified by the applicant, such as the impact to the local economy. It takes approximately 6 weeks for the necessary approvals and to award a contract. A contract is required before any reimbursable costs can be incurred.

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Complete this form to request funding assistance through MDOT's Freight Economic Development Program. All attached materials will be considered part of the application. Please note that all information provided for the purposes of this application and potential project is subject to public disclosure, in accordance with MCL 15.233 (Freedom of Information Act).

APPLICANT INFORMATION	
APPLICANT NAME	FEDERAL ID
PRINCIPAL OFFICE ADDRESS	
CONTACT PERSON	CONTACT TITLE
CONTACT E-MAIL	CONTACT PHONE
CONTACT ADDRESS (IF DIFFERENT THAN ABOVE)	

PROJECT DESCRIPTION
FACILITY LOCATION
DESCRIBE THE PROPOSED RAIL PROJECT (ATTACH PLANS OR DRAWINGS TO DEPICT LAYOUT)
DESCRIBE THE FACILITY'S OPERATIONS & ROLE OF RAIL SERVICE

RAIL PROJECT COSTS (<i>ATTACH ESTIMATE</i>)	PROGRAM FUNDING REQUEST	PERMANENT FULL-TIME JOBS CREATED
TOTAL NEW ANNUAL CARLOAD COMMITMENT		FACILITY'S ANNUAL CARLOAD BASELINE, IF ANY
WILL ANY NEW CARLOADS BE TRANSFERRED FROM ANOTHER FACILITY OWNED BY THE APPLICANT IN THE STATE? IF SO, PLEASE ESTIMATE HOW MANY.		
DESCRIBE ANY ADDITIONAL PUBLIC BENEFITS OF THE PROPOSED RAIL PROJECT (REDUCED ROAD MAINTENANCE COSTS; ASSOCIATED EMPLOYMENT; MICHIGAN JOBS OTHERWISE AT RISK; ADDITIONAL USERS AND ASSOCIATED NEW CARLOADS.)		
SERVING RAILROAD	CONTACTED YES NO	
PROJECTED CONSTRUCTION DATE	PROJECTED RAIL OPERATIONS DATE	
REQUESTED FORM OF ASSISTANCE Grant installments (costs reimbursed over 5 year reporting period, based on carload volume) Lump-sum grant with potential payback (Costs reimbursed after construction. If Service Outcomes (carload volumes) are not met, recipient has to return a portion of the grant plus interest)		
CERTIFICATION		
THE UNDERSIGNED CERTIFIES THAT THE APPLICATION, INCLUDING ATTACHMENTS, IS TRUE AND COMPLETE.		
NAME	TITLE	
SIGNATURE		DATE