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# Kalispell moves closer to new industrial rail park

FLATHEAD COUNTY

**By: Maddie Cohen****Posted:** Jun 02, 2015 09:22 PM MDT**Updated:** May 12, 2016 08:07 AM MDT

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KALISPELL, Mont. - The City of Kalispell is in the process of kicking off a new industrial rail park, which has been on the books for five years.

Monday, the Kalispell City Council voted in favor of pledging \$4.5 million in tax increment funds toward a grant that would help fund the new rail park and what officials call the Kalispell Core Area Revitalization Plan.

About two miles of railroad tracks run through the downtown area. Northwest Drywall & Roofing Supply and CHS Kalispell, formerly known as Cenex Harvest States, are the only two businesses served by the railway in that part of Kalispell.

"The city has grown around the tracks where they exist today," said Kim Morisaki, of the Flathead County Economic Development Authority. "There are no lots that are large enough, and the city is not zoned appropriately, for large manufacturers in the heart of the city."

<sup>r</sup> Other sites near the tracks are vacant or underused.

This week FCEDA, along with the City of Kalispell, will submit an application for a \$10-million transportation grant. This will be the third time they've applied for what U.S. Department of Transportation officials call a TIGER grant.

The grant would fund a new industrial park on the edge of town, which is the former site of the McElroy and Wilken Gravel Pit. FCEDA currently owns the 40-acre property.

Katharine Thompson, the city's community development manager, says the project will generate more activity in downtown Kalispell.

"(It will) create more reasons for our community members from outside the area to spend their time and, of course, be a part of this community in that center of town," she said.

With the railroad tracks removed and replaced from the center of town in the new rail park, the project will make way for more residential and commercial space.

"We'll see lots that are from five to 10 acres rather than the small half-block lots that are available in downtown Kalispell now," said Morisaki.

The new industrial facilities could also out of the rail park.

If the grant is approved early this fall, the city of Kalispell, FCEDA and BNSF Railway will match those funds. Then the \$21 million project will be underway.

The city would contribute the \$4.5 million the council approved on Monday, while FCEDA would provide a little over \$6 million. BNSF Railway would match the grant with \$500,000.

"This community will see a significant transformation and redevelopment in just two to three years," said Thompson.

If the grant falls through, city officials will still move forward with the project. However, the \$4.5-million commitment is contingent on the grant.

Without the TIGER grant, the Kalispell City Council will vote on alternative ways to fund the rail park.

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