

# CRUNCH TIME FOR RAIL PARK FUNDING

## GROUPS MAKE ANOTHER BID FOR FEDERAL GRANT

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The finishing touches are being placed on a grant application that represents a major piece in plans for an east Kalispell industrial rail park.

The Flathead County Economic Development Authority, in partnership with the city of Kalispell and various private organizations, is ready to submit its request for a \$10 million U.S. Department of Transportation grant. It will be the third attempt at the specialized infrastructure funding in as many years.

Kellie Danielson, president of Montana West Economic Development, said this is the closest the Glacier Rail Park project has been to completion. It's estimated to cost as much as \$21 million.

"I think you have people at the city and at the City Council who came together, understood the vision and are willing to work this hard to accomplish the vision," she said.

Montana West manages the Flathead County Economic Development Authority, the official applicant for the federal grant. The grant application deadline is June 5.

That vision is for a centralized industrial park near the Kalispell/Evergreen border that can serve various businesses with accessible rail for freight. It's planned for the area between Whitefish Stage and Flathead Drive and is the former site of the McElroy and Wilken gravel pit.

One of the main players is CHS Inc., which would move from its location on Center Street and Fifth Avenue West.

Following that move, the city could extract the railroad tracks that run through the center of town as part of its Core Area Urban Renewal Plan. The rails are seen as barriers to vehicle and pedestrian traffic connectivity.

"The whole premise behind this is to revitalize the core area," Danielson said.

Financing is being pieced together for the project. Danielson said that the project recently secured a \$500,000 pledge from BNSF Railway Co. The Flathead Authority has committed to finding \$6 million from various sources.

The city of Kalispell's share would be \$4.5 million. That money would come out of the West Side Tax Increment District. The City Council is set to take up that provision on Monday.

The largest single piece — \$10 million — would come from the federal infrastructure grant. The federal program is set to release \$500 million across the country this year. Past grants have gone toward a bicycle trail in Missoula and street improvements in Whitefish.

There are other moving parts to the campaign as well. Danielson said negotiations are still ongoing with businesses that would be affected by the land use changes.

"Those negotiations have gone really well, and our consultant is now conversing with Northwest Drywall," Danielson said.

The drywall company is one of the current users of the rail line in Kalispell. The main "nut to crack," according to Danielson, was CHS.

Mark Lalum, general manager of CHS, called the project a "win-win."

"We're just working on some of the terms on it," Lalum said. "And if we can come to an agreement on the terms, then we are all prepared to move."

He added that the company has good operational access at its current location, but the rail park could offer a centralized place for business.

Danielson said that if everything falls into place, grading of the 40-acre rail park could start this fall. The transportation department is also expected to announce grant recipients at that time.

The hope is that if the federal grant falls into place, the rest will follow.

"It's been a lot of hard work," Danielson said. "And I just appreciate how hard they've been willing to work and move forward."

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