

RAIL PARK PROJECT STILL SEEKS FUNDING

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Officials are ramping up efforts once again to construct an industrial park on the east side of Kalispell. The plan would include the removal of railroad tracks that run through the heart of the city.

Spearheaded by the Flathead County Economic Development Authority, the project already is moving along with design work and tenant searches underway. But a financial roadblock that has stymied the project for two years still remains.

Project supporters have seen a key federal grant go to other Montana areas, but they hope that this will be the year.

"We've applied for two years in a row, and each year we learned something new to improve the grant application," said Kellie Danielson, president of the Montana West Economic Development, which manages the Flathead authority.

The unsuccessful grant applications haven't stopped the preparation to develop the 40-acre parcel, formerly the home of the McElroy and Wilken gravel pit. It sits along Whitefish Stage Road and was annexed by the city of Kalispell a year ago.

Tom Jentz, the city's planning and building director, said the area is zoned for heavy industrial use. Major utility services haven't been extended to the site yet. Jentz said that while it waits to be developed, the area isn't a huge cost to the city.

"It's primarily vacant land," he said. "There is one industrial business out there."

The plan for the area, now labeled as the Glacier Rail Park, is to utilize railroad infrastructure to create a centralized industrial district.

With that development, the rails that run through town, most noticeably north of Center Street, would be pulled up. CHS Kalispell, longtime operator of the grain elevator on Center and Fifth Avenue West, would move to the rail park.

Danielson said that BNSF Railway Co. has committed to pulling up the rails and has an interest in utilizing the new rail park.

The project boasts a range of other supporters as well, including rail companies and CHS. In 2012, then-Sen. Max Baucus, D-Montana, helped secure \$1.1 million to acquire the land for the industrial park.

The city of Kalispell is also a partner. In January, the City Council approved a cost-sharing agreement for the design work. They will split an estimated \$700,000 engineer design phase, which is underway.

To bring everything to fruition, Danielson is hoping they can secure a federal grant that they've vied for in the past. The U.S. Department of Transportation generally awards one to each state annually. The 2015 grants will be drawn from a \$500 million pool, according to the department.

The Flathead authority wants the grant to cover less than half of the overall project.

"For 100 percent of the total project, we're asking \$10 million from the transportation department by way of TIGER," Danielson said. "And we have sourced \$17 million."

TIGER, or Transportation Investment Generating Economic Recovery, is the name of the federal infrastructure grant program. Danielson said the money they secured for a match comes from private partner companies, the city of Kalispell and a loan from the Federal Railroad Administration.

Danielson said that the cost estimates are preliminary, but they've been able to get a good idea of leasing figures to reach a total cost. Searching for companies to move into the rail park is part of the work coming in the near future. The engineering design work is expected to be finished in early May.

And, of course, they're preparing to apply for the grant.

That has included a lobbying effort in Washington, D.C. Earlier this week, delegates from the city of Kalispell and the Flathead authority traveled there to sit down with Montana's elected officials and federal department heads.

Danielson said recommendations from Montana's congressional delegation for the Glacier Rail Park could go a long way. She also said they hope to make the process available to local residents as much as possible.

"We're hoping the public will take that message and then share it and discuss it and be behind the process as well," Danielson said.

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