Freight Economic Development Program

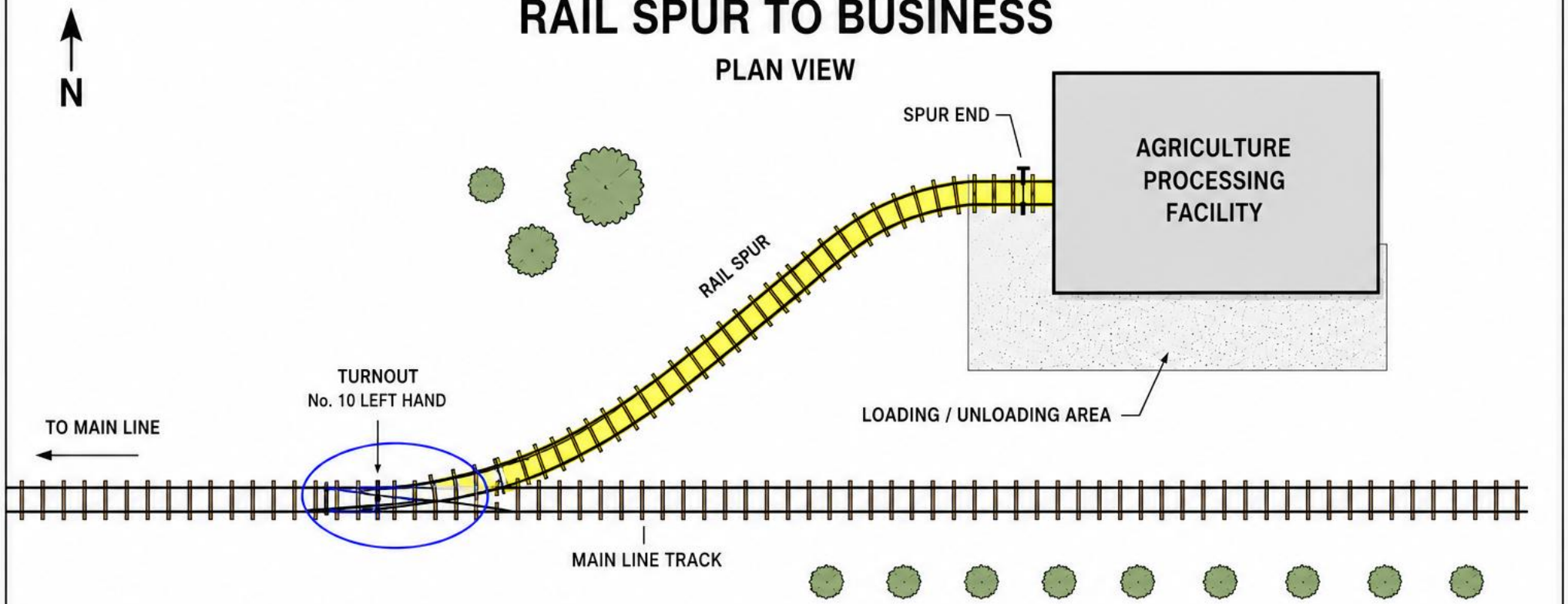
House Appropriations Subcommittee on State & Local Transportation

June 10, 2026

Freight Economic Development Program

- 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 infrastructure to ship by rail, like rail spurs. Projects are evaluated based on the public benefits, like increased rail volumes and job creation, relative to costs.

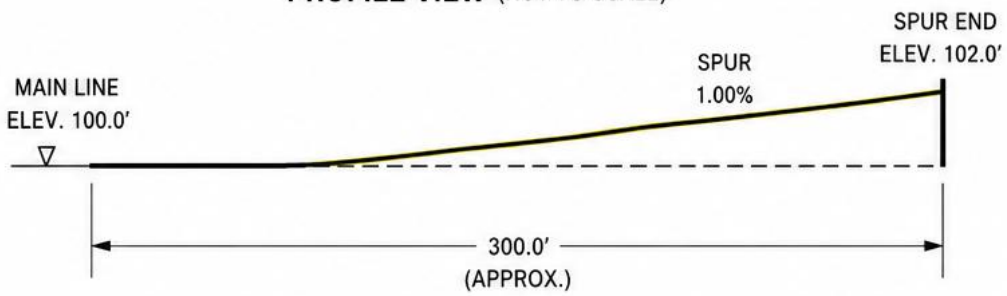
RAIL SPUR TO BUSINESS



LEGEND

- MAIN LINE TRACK
- RAIL SPUR
- TURNOUT
- SPUR END / BUMPER
- HIGHLIGHTED AREA INDICATES RAIL SPUR

PROFILE VIEW (NOT TO SCALE)



NOTES

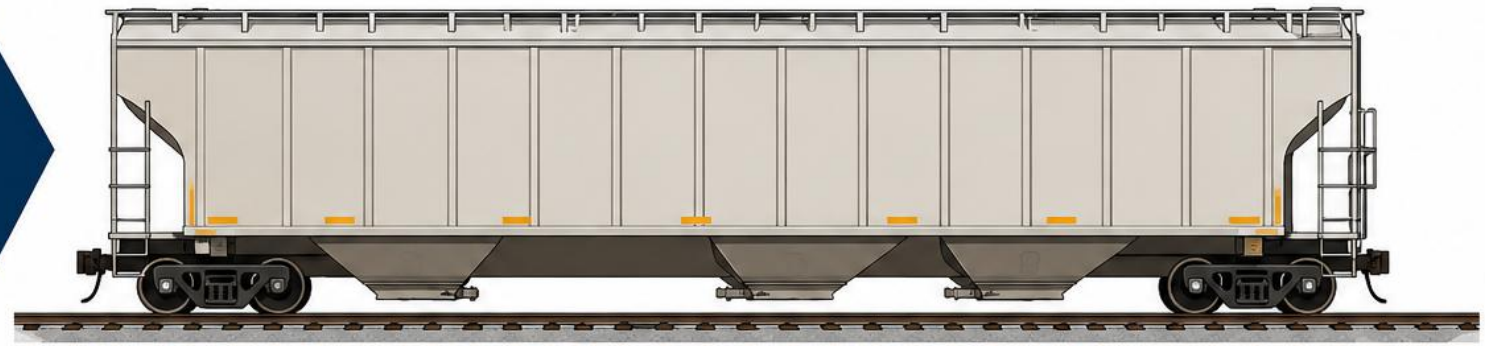
1. SPUR DESIGNED FOR INDUSTRIAL SERVING PURPOSES.
2. MAX. SPEED ON SPUR: 10 MPH
3. SPUR LENGTH: APPROX. 300 FEET
4. TRACK: 115 RE AREA, 56 LB. RAIL
5. TIES: WOOD
6. BALLAST: 12″ DEPTH MIN.

Rail Spur

Rail Siding

THE POWER OF RAIL. THE EFFICIENCY YOU CAN COUNT ON.

1 RAILCAR
FREIGHT LOAD



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EQUALS
3–4
SEMI-TRUCK LOADS

– OR **4** TRUCK LOADS

MOVING MORE. USING LESS.

- FEWER TRUCKS ON ROADS
- LOWER EMISSIONS PER TON-MILE
- BETTER FUEL EFFICIENCY
- ENHANCED SAFETY FOR COMMUNITIES
- STRONGER SUPPLY CHAINS

Review of the Numbers

- 37 FEDP awards over the last five years.
- Average grant was $800,000.

- 4,449 new rail carloads annually.
- 13,000 – 17,000 trucks not on our roadways.

ARAUCO North America

FEDP: Connecting a manufacturer to the nation's rail network

Thank you

Jon Cool, President

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