



225300
1331 Pennsylvania Avenue, N.W.
Washington, D.C. 20004

Peter J. Shutz
Vice President Federal Regulation &
General Counsel

TELEPHONE: (202) 783-8124
FAX: (202) 783-5929

June 29, 2009

Hon. Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

**Re: STB Ex Parte No. 690 -- Twenty-Five Years of Rail
Banking: A Review and Look Ahead -- Notice of
Intent to Participate of CSX Transportation, Inc.**

Dear Acting Secretary Quinlan:

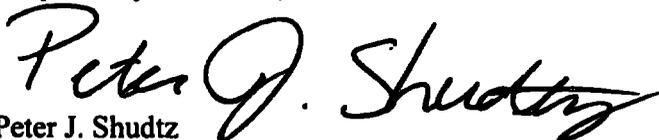
CSX Transportation, Inc. ("CSXT") welcomes the opportunity to provide testimony at the Board's hearing on July 8 in Washington, D.C., and this letter will serve as CSXT's Notice of Intent to Participate.

I will be the speaker representing CSXT and respectfully request five minutes to give a presentation on a recently consummated rails-to-trails project in New York City.

CSXT also supports and adopts the Written Testimony of the Association of American Railroads filed today in this proceeding.

CSXT is e-filing this notice. Thank you for your assistance.

Respectfully submitted,


Peter J. Shutz

PJS/krb

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

Ex Parte No. 690

**TWENTY-FIVE YEARS OF RAIL BANKING:
A REVIEW AND LOOK AHEAD**

COMMENTS OF CSX TRANSPORTATION, INC.

CSX Transportation, Inc. ("CSXT") thanks the Board for the opportunity to participate in the above-captioned hearing, and respectfully submits its opening comments regarding the impact, effectiveness, and future of rail banking under Section 8(d) of the National Trails System Act. In addition, CSXT joins in and supports the submission of the Association of American Railroads.

INTRODUCTION

As the Board is well aware, it took the railroad industry over 75 years in the 19th century to assemble the financing and rights-of-way to construct the national railroad system. The Federal, State and local governments also participated in creating the national railroad system. Today, the national rail system looks much different than the 19th century rail system. When the railroad industry was on the verge of bankruptcy, Congress passed the Staggers Act, which, among many benefits, permitted rail carriers to abandon unproductive and redundant rail lines without undue burden and delay. The

abandonment process helped save the railroad industry and remains a critical tool for rail carriers to allocate their substantial capital needs in the most useful and productive manner possible.

The national railroad system's total mileage may have shrunk over time through abandonments, but it has also become more efficient. Today, rail carriers can move more freight over a smaller network because of efficient routing and elimination of redundant lines. In addition, through the benefits of freight rail transportation, the nation enjoys substantial energy savings, and a reduction in congestion on the highways (together with an associated reduction in pollution). Because of these benefits, as well as population growth and other factors, rail freight traffic is projected to grow substantially over time. In addition, there is increased public support for passenger rail. Rail capacity will always be a concern, but in the future that concern will only be greater. Therefore, preserving rail corridors is clearly in the public interest. And, interim trail use is a proven means of promoting the preservation of rail corridors.

DISCUSSION

Federal Law directs several Executive Departments to encourage the creation of trails. Under Section 8(d) of the National Trails System Act ("Section 8"), each of the Secretary of the Interior, the Secretary of Housing and Urban Development, and the Secretary of Agriculture, is directed to encourage States to develop trails through various programs and incentives. *See generally*, 16 U.S.C. §1247 (a)-(c). In addition, pursuant to Section 1247(d), "the Secretary of Transportation, the Chairman of the Surface Transportation Board, and the Secretary of the Interior, in administering the Railroad

Revitalization and Regulatory Reform Act of 1976 [45 U.S.C.A. § 801 et seq.], shall encourage State and local agencies and private interests to establish appropriate trails . . .”

Section 1247(d) directly supports the conversion of rails to trails by foreclosing application of reversionary rights over railroad rights-of-way that are converted to trails and by mandating that such rights-of-way be subject to reactivation for railroad purposes: “[I]n furtherance of the national policy to preserve established railroad rights-of-way for future reactivation of rail service, to protect rail transportation corridors, and to encourage energy efficient transportation use, in the case of interim use of any established railroad rights-of-way pursuant to donation, transfer, lease, sale, or otherwise in a manner consistent with this chapter, if such interim use is subject to restoration or reconstruction for railroad purposes, such interim use shall not be treated, for purposes of any law or rule of law, as an abandonment of the use of such rights-of-way for railroad purposes.” 16 U.S.C. §1247(d).

Finally, by requiring an interim trail user to assume financial and other responsibilities for a railroad right-of-way, Section 1247(d) provides an incentive for a rail carrier to transfer a rail line – which it might otherwise abandon –for interim trail use: “If a State, political subdivision, or qualified private organization is prepared to assume full responsibility for management of such rights-of-way and for any legal liability arising out of such transfer or use, and for the payment of any and all taxes that may be levied or assessed against such rights-of-way, then the Board shall impose such terms and conditions as a requirement of any transfer or conveyance for interim use in a manner

consistent with this chapter, and shall not permit abandonment or discontinuance inconsistent or disruptive of such use.” *Id.*

CSXT commends the Board for its assistance to rail carriers and trail use proponents, particularly with respect to the authorization of extended negotiation periods, which are often necessary for the parties to consummate a rail trail transaction. Without the Board’s assistance and support, CSXT would have little choice but to go forward with abandonment of the lines for which it originally sought abandonment authority. The Board’s administration of the rail banking program, therefore, is consistent with the language and legislative intent of the National Trails System Act.

CSXT actively seeks to improve its interaction with its customers, and its role in the workplace, in the environment, and in the community. And, CSXT’s rail banking program is one of the many programs CSXT employs to make the environment and the communities in which it serves a better place to live. Benefits to the community include: healthier lifestyles; enhanced environmental responsibility; increased property values; increased opportunities for economic development; and increased environmental and historic preservation. From CSXT’s experience with rails-to-trails conversions, it is clear that communities do indeed enjoy these benefits. A sample of rails-to-trails conversion projects among CSXT and the trail use proponents is listed on Annex A to these comments.

In connection with its rail banking program, CSXT has worked with various communities and conservation groups to help create a nationwide network of recreational trails along its rights-of-way that would otherwise be abandoned. To support its program and assist these various communities and conservation groups, CSXT employs a

dedicated team that focuses on rail banking. In addition, because these projects can take significant time for trail use proponents to obtain the funding and other resources necessary for a successful trail, CSXT frequently works with the trail use proponents to seek additional time to complete negotiations for conveyance or transfer of the line for interim trail use.

CONCLUSION

As the Board's notice for this rail banking hearing correctly observed, Section 8(d) to the National Trails System Act was enacted to allow preservation of railroad corridors for possible future rail use, and to allow railroad corridors that would otherwise be abandoned to be used in the interim as recreational trails. CSXT is fully supportive of the principles of Section 8 and the Board's administration of its governing rules and regulations.

ANNEX A

CSXT Success Stories

In addition to the New York High Line, the benefits of which CSXT will present at the July 8th hearing, CSXT is pleased to provide the following examples of successful rail trail programs it has completed:

1. The Legacy Trail, Sarasota County, Florida

- For more than a decade, Sarasota County tried unsuccessfully to purchase a 12.8-mile scenic corridor that stretches from State Road 72 in Sarasota to a southern terminus near Center Road in Venice. Owned by CSXT, the corridor had a colorful history. From the 1960s until the mid-90s, it was used by the Ringling Brothers and Barnum & Bailey Circus to bring its animals to its winter quarters in Venice, and earlier in Sarasota. In 2002, the county commission enlisted The Trust for Public Land (TPL) to help bridge county and corporate interests and make the acquisition a reality. After two years of work, TPL completed the deal and conveyed the land to the county in December 2004. The trail is the centerpiece of the county's trail system and a major bicycle/pedestrian commuter link between Sarasota and Venice.

2. Leesburg Recreational Trail, City of Leesburg, Florida

- In November 2004, TPL purchased and conveyed to the City of Leesburg, 6.5 miles of formerly active railroad corridor from CSXT. The X-shaped trail corridor runs through the heart of the city, adjacent to Leesburg High School, Fountain Lake and the downtown area. This trail will become part of the Leesburg Greenway Trail, a major redevelopment effort intended to reconnect neighborhoods separated by large roadways and help preserve local historic sites, such as the 1912 train depot on Palmetto Street. The Greenway will also provide links to other existing nature trails, parks and local cultural places of interest. Ultimately, the Leesburg trail will connect with Lake County and regional trail networks.

3. Addition to Chickamauga/Chattanooga National Military Park, Tennessee

- U.S. Senator Lamar Alexander (R-TN) and U.S. Congressman Zach Wamp (R-3) joined the National Park Service (NPS), TPL, and other project supporters at Point Park on Lookout Mountain in April 2008 to celebrate the recent conservation of 382 acres of Lookout Mountain battlefield lands as part of the Chickamauga and Chattanooga National Military Park. This latest addition to Chickamauga and Chattanooga National Military Park, acquired from CSXT, is located in Lookout Valley west of Lookout Mountain.
- The park, which was created in 1890 and is located in both Georgia and Tennessee, is the first national military park in the nation.
- The property fronts Lookout Creek for more than two miles, and public access across the creek from the east will be available via the Lower Truck Trail -- a hiking, horse, and bike trail. The addition of this historic property to the park provides enhanced opportunities to inform the public of the site's Civil War significance, while preserving the land in perpetuity.
- TPL worked with CSXT to purchase the 382 acres, which was identified as historically significant by the NPS. TPL transferred the first 86 acres to the park in November 2006. The remaining 296 acres were conveyed to the park in two phases, in November 2007 and March 2008.

4. Pinellas Trail Extension, St. Petersburg, Florida

- With more than a million visitors every year, the Fred Marquis Pinellas Trail is one of Florida's most popular linear parks. Extending from Tarpon Springs to St. Petersburg, the 34-mile-long trail traverses eight towns and several waterways and connects several state and local parks, including Honeymoon Island. In 2005, TPL purchased a two-mile corridor from CSXT that will bring the trail into downtown St. Petersburg, creating a safe, convenient route for bicyclists and pedestrians to travel in and out of downtown. The extension passes Tropicana Field, home of the Tampa Bay Devil Rays baseball team and the historic Seaboard Coastline Train Depot and home of the St. Pete Clay Company.

5. Gwynns Falls Trail Extension, Baltimore, Maryland

- In the two years since its grand opening celebration in 2005, the Gwynns Falls Trail in Baltimore has seen countless hikers and bikers traversing the area, taking in the multifarious sights and sounds of Charm City: history and lush greenery at Winans Meadow and Leon Day Park, the inner-city vibrance of Lower Gwynns Falls Park, and Baltimore's proud industrial past along Bush and Bayard streets.
- In conjunction with the Baltimore City Henrietta Development Corporation, the National Aquarium in Baltimore, and other stakeholders,

TPL plans to extend the trail, looping it around the Middle Branch of the Patapsco River to create a natural greenway that will connect the highly publicized Westport Waterfront development along the banks of the river.

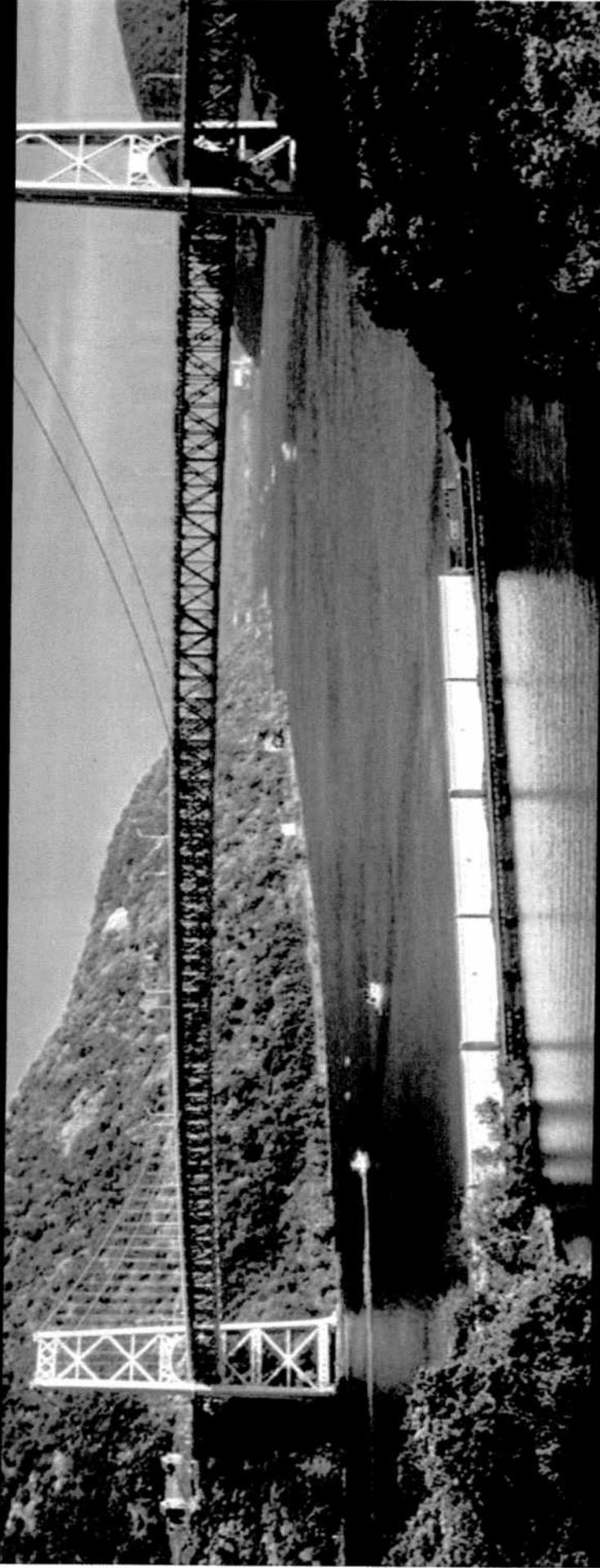
- With the support of Baltimore City, which manages the trail, TPL entered into a contract with CSXT to acquire a rail swing bridge that will connect the east and west sides of the Middle Branch. TPL will commission safety studies, environmental impact reports, and conversion plans, as part of its plan to acquire the bridge and convey ownership to the City of Baltimore for the trail connection that will envelop the Westport Waterfront and provide additional access near the new aquarium site.

6. *Greenbrier River Trail - Southeastern West Virginia, West Virginia*

- At the turn of the century, the needs of West Virginia's booming timber industry necessitated construction of the Greenbrier Division of the C&O Railway. Many decades later, in the late 1970s, the once busy rail line was dismantled and a rough gravel path was left behind. West Virginia State Parks soon took charge, and with the help of four TE awards made major improvements to the trail, including paving several sections, installing restroom facilities, and creating some of the 35 bridges and two tunnels along the trail. At nearly 80 miles in length, it provides incredible recreational opportunities, views of the Allegheny Mountains, and access to several of West Virginia's State Parks, including the historic Cass Scenic Railroad Park. Athletes enjoy the annual Great Greenbrier River Race, and local communities benefit from the trail's popularity. West Virginia State Parks, working with the Greenbrier Trail Association, continues to manage the trail and oversees ongoing improvements.



How tomorrow moves



Peter J. Shudtz
Vice President
Federal Regulation & General Counsel
July 8, 2009

***Twenty-Five Years of Rail Banking: A Review
and Look Ahead***

How tomorrow moves



CSXT Supports the Trails Act

- Promotes the preservation of rail corridors
- Provides an alternative to abandonment
- Encourages environmental responsibility
- Benefits the people and communities we serve
 - Provides opportunities for economic development
 - Promotes a healthy lifestyle
 - Fosters environmental and historic preservation

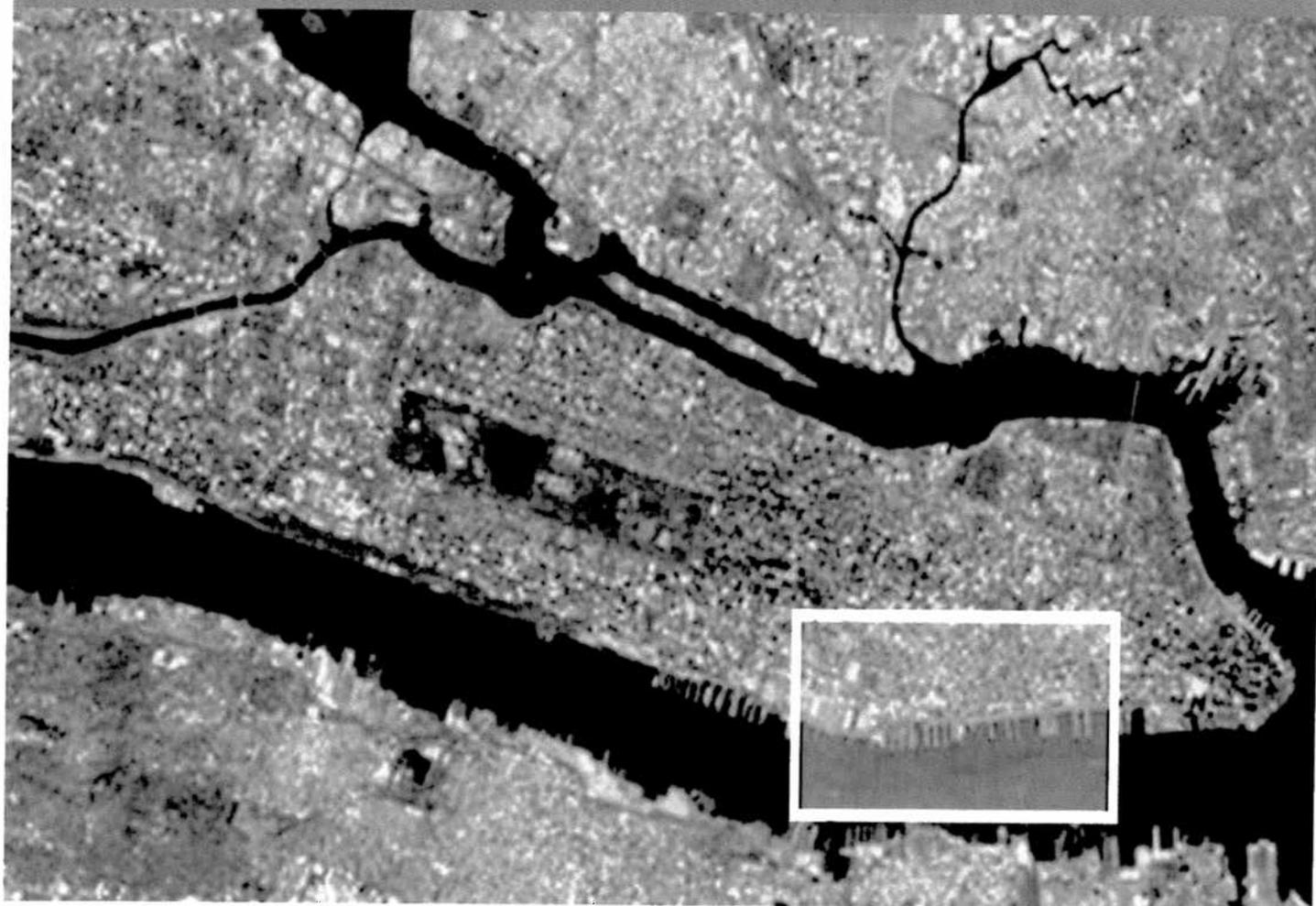
Trail Use Success Story: The New York High Line

- The High Line is a 1.45-mile-long elevated, steel structure built in the 1930s to carry freight trains. It currently runs from Gansevoort Street, NYC, in the Meatpacking District, through the West Chelsea gallery neighborhood, ending at 34th Street, next to the Jacob Javits Convention Center. The last train ran on it in 1980.
- Now CSXT would like to show you the High Line through the lens of the Friends who guided the trails use process with the City of New York and many elected and public officials.

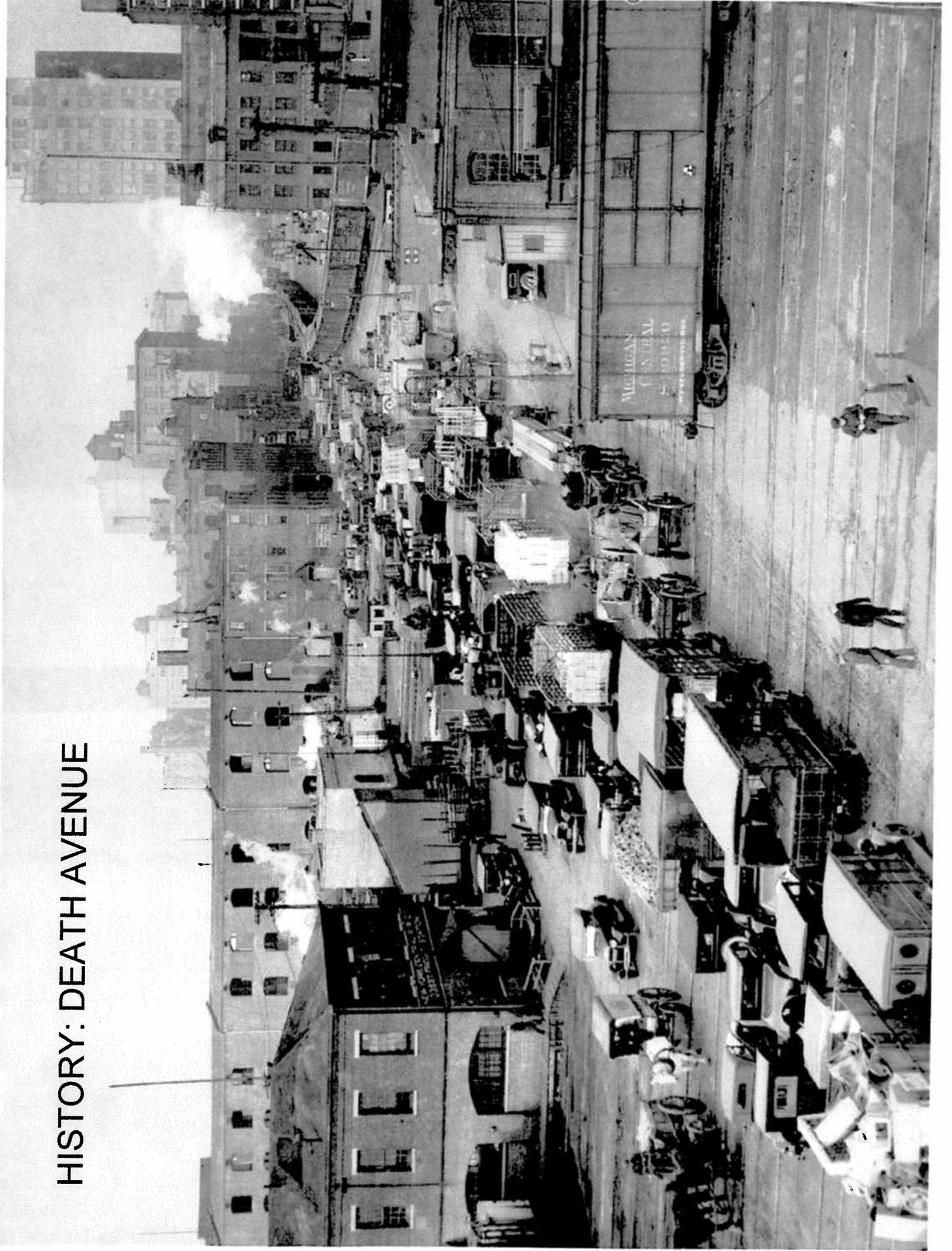
THE HIGH LINE
OPENED JUNE 9, 2009



The City of New York +
Friends of the High Line



HISTORY: DEATH AVENUE

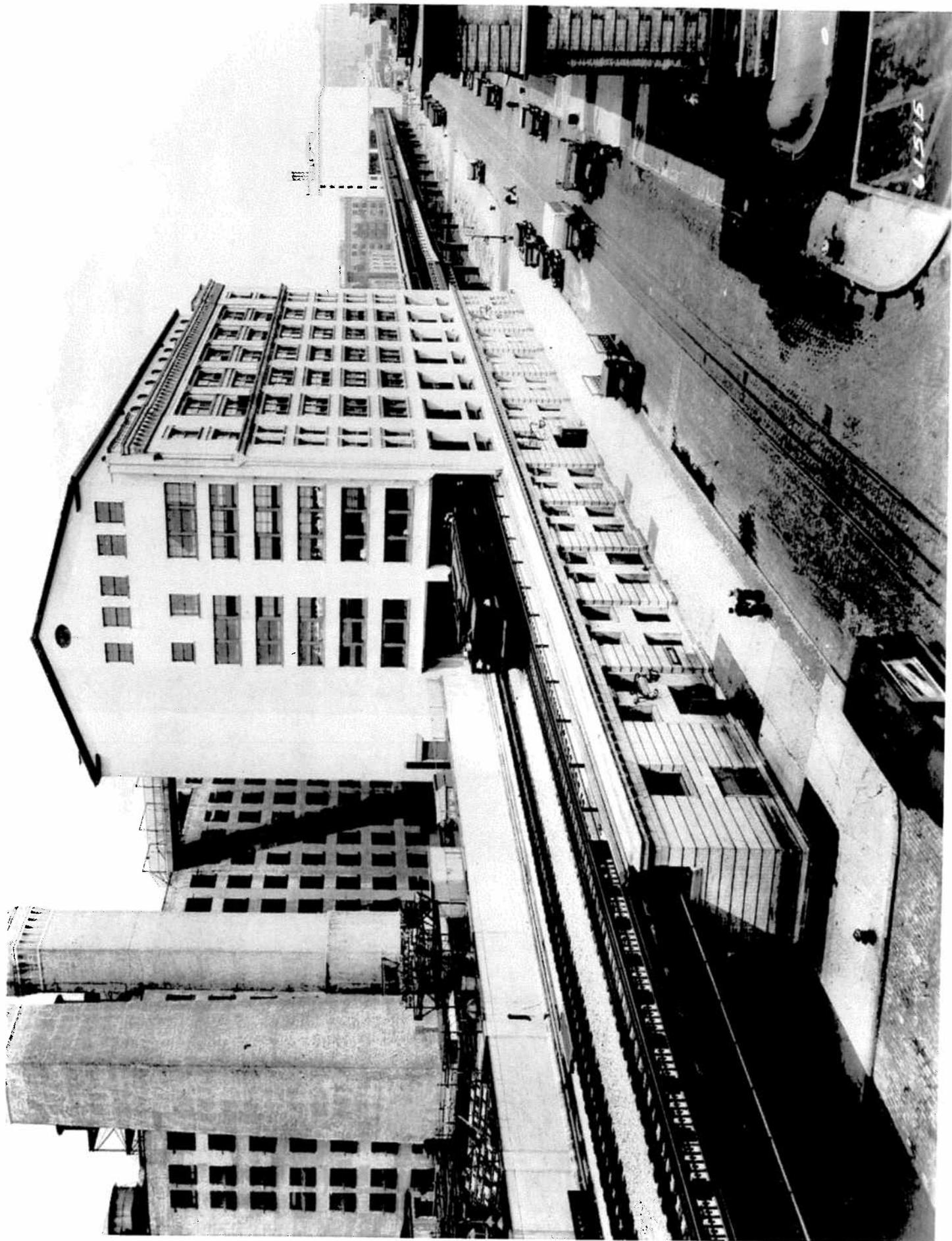


WEST SIDE COWBOYS

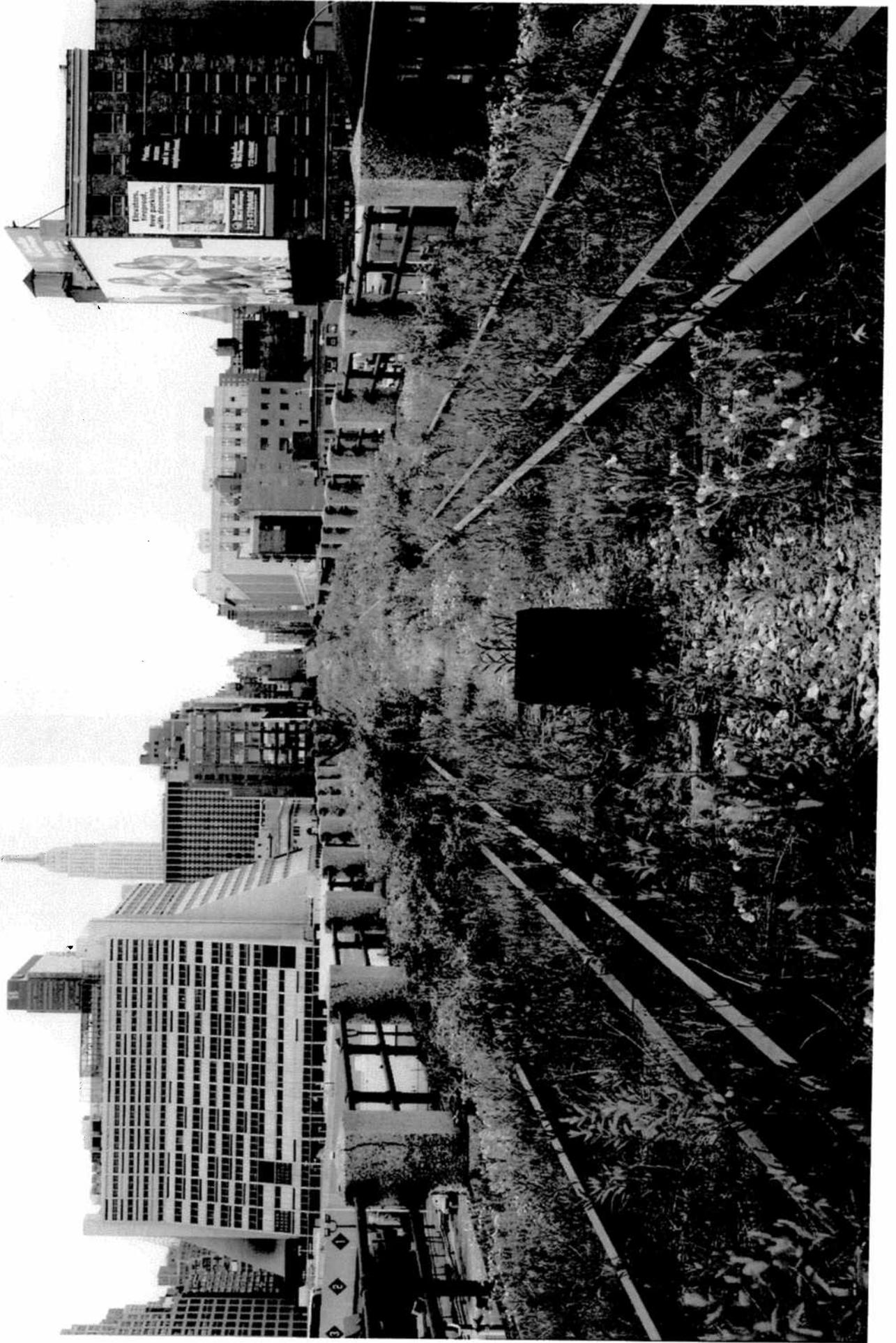


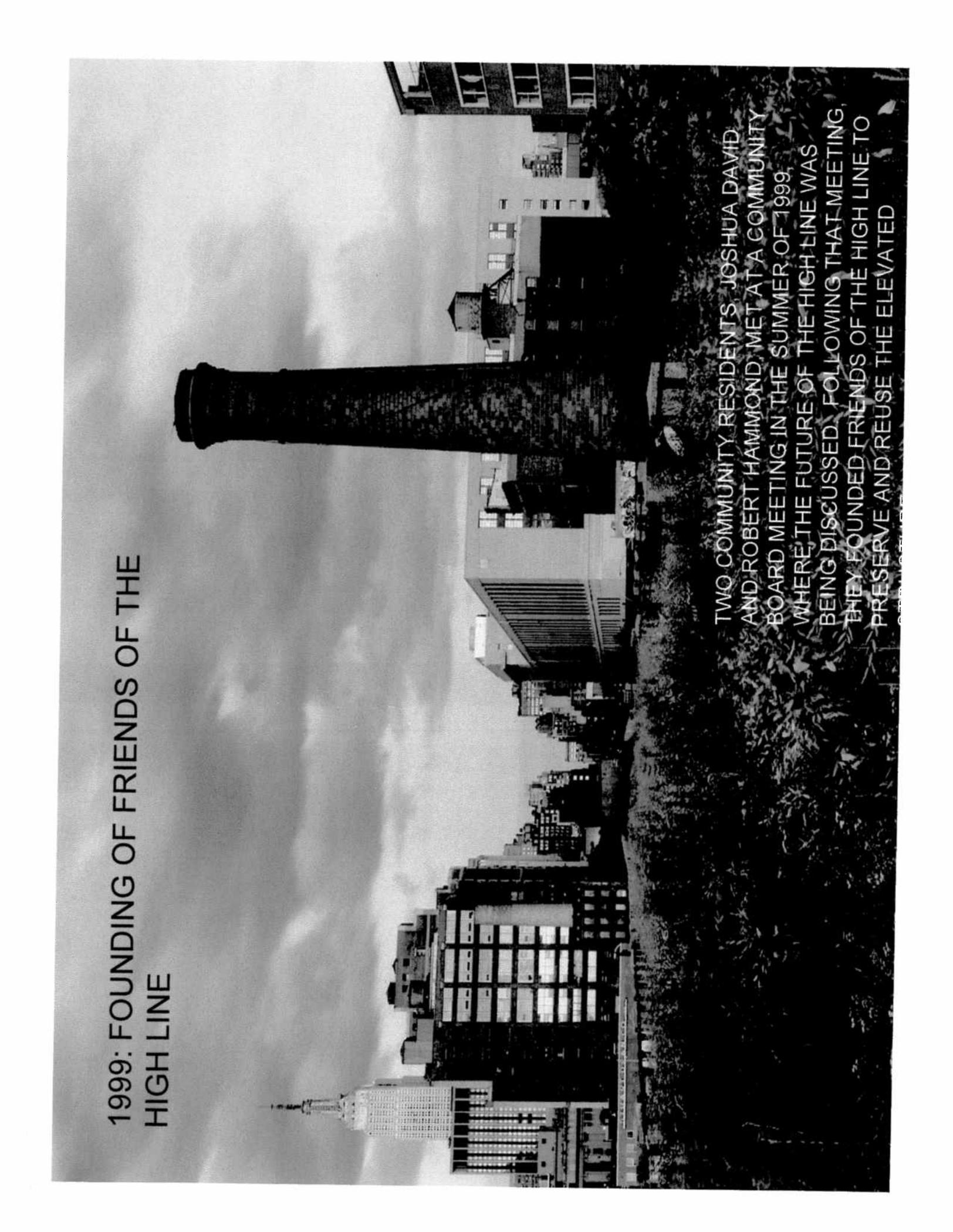
CONSTRUCTION: 1929 - 1934





POST-1980: SELF-SEEDED LANDSCAPE





1999: FOUNDING OF FRIENDS OF THE
HIGH LINE

TWO COMMUNITY RESIDENTS, JOSHUA DAVID
AND ROBERT HAMMOND, MET AT A COMMUNITY
BOARD MEETING IN THE SUMMER OF 1999,
WHERE THE FUTURE OF THE HIGH LINE WAS
BEING DISCUSSED. FOLLOWING THAT MEETING,
THEY FOUNDED FRIENDS OF THE HIGH LINE TO
PRESERVE AND REUSE THE ELEVATED

- 1929-34 High Line is built.
The structure runs from Clarkson St. to 34th St.
- 1963 The section of the High Line between Clarkson St. and Bank Street is demolished.
- 1980 The last train runs on the High Line.
- 1991 The section of the High Line between Bank St. and Gansevoort St. is demolished.
- 1999 With the High Line facing demolition, Friends of the High Line is founded.

- 2002 Friends of the High Line works with the Bloomberg administration to change City policy to one favoring preservation and reuse. City files application for Certificate of Interim Trail Use (CITU).
- 2004 Design Team of James Corner Field Operations and Diller Scofidio + Renfro selected.
- 2005 STB issues CITU. NYC rezones neighborhood around High Line to support High Line reuse.
- 2006 Groundbreaking on the High Line.
- 2009 Section 1 opens to the public.

GROUNDBREAKING: APRIL 2006



CONSTRUCTION



Site Removals (Sections 1 and 2)

- Railroad ballast recycled
- Tracks stored for future reinstallation
- Plants and debris removed
- Concrete slab cleaned



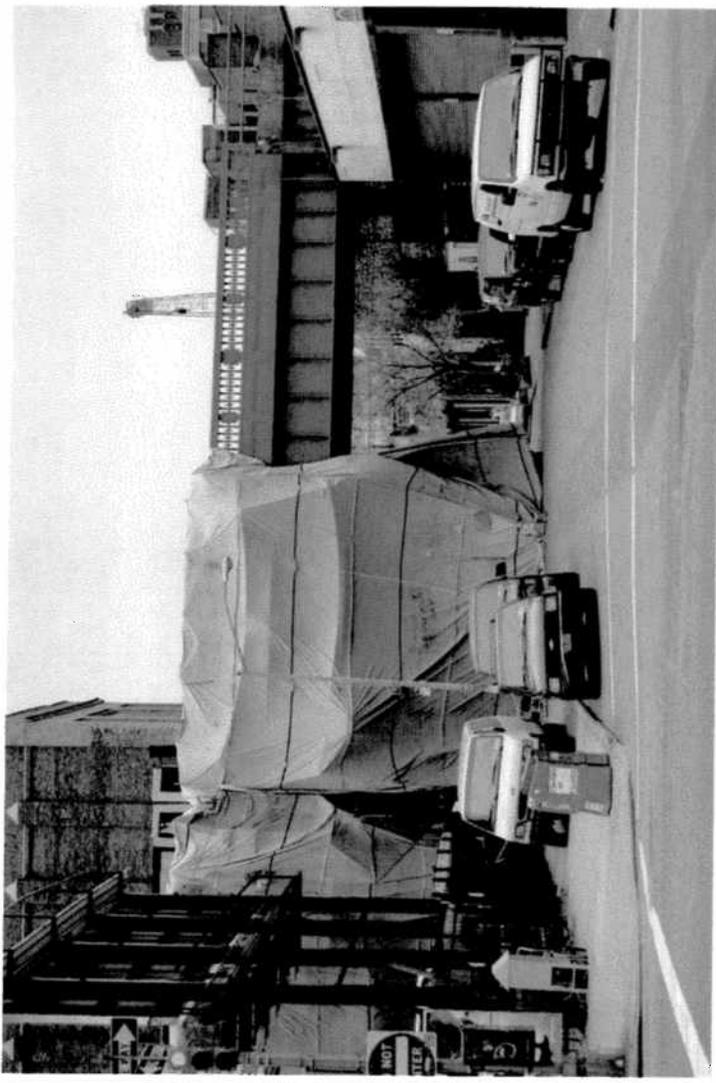
Site Preparation (Section 1)

- Steel Preparation + Priming
- Final Painting
- Concrete + Steel Repair
- Drainage
- Pigeon Deterrents



Surface Preparation

- Sandblasting to:
 1. Remove all traces of lead and rust.
 2. Prepare the steel surface for optimal bonding of paint.
- Installation of plastic negative-air containment units with taped seams and vacuums to prevent public exposure.
- Sealing of lead will be in small drums and disposed of off-site.



Concrete + Steel Repair

Steel:

Rivet replacement, rust removal, and bracket repair.

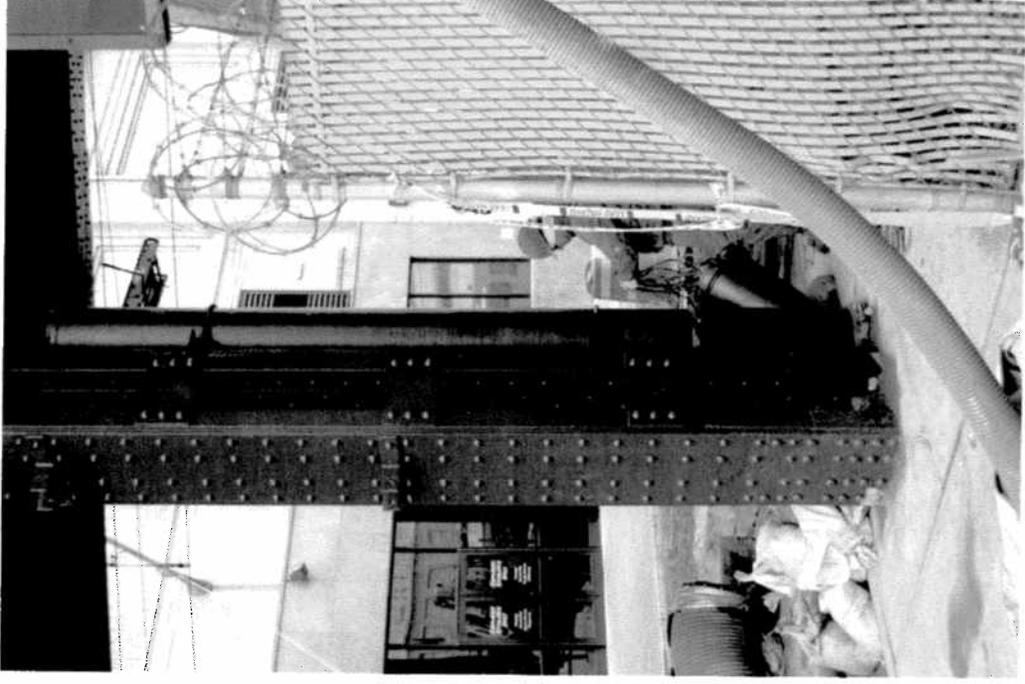
Concrete:

Removal at column bases, patching at underside, and parapet repair.



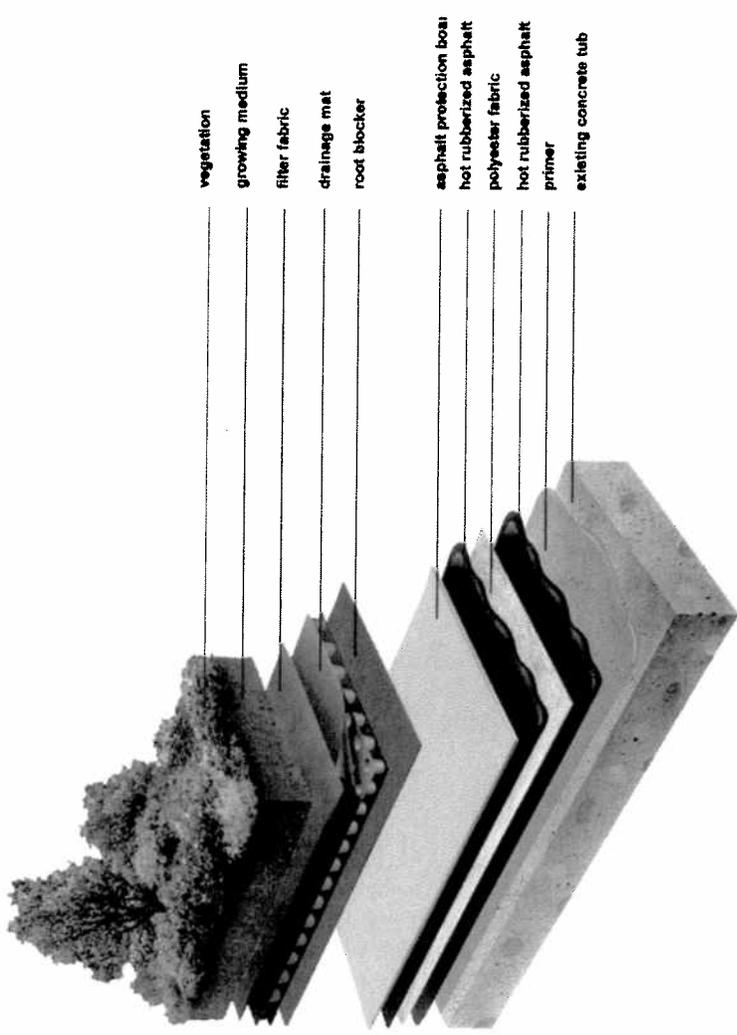
Drainage

- Old drainage system removed, and holes in drainage connections filled.
- Construction of new drainage system, including new pipework paths and running new pipework.
- Securing and completing street connections.



Topside: Waterproofing and Green Roof Layers

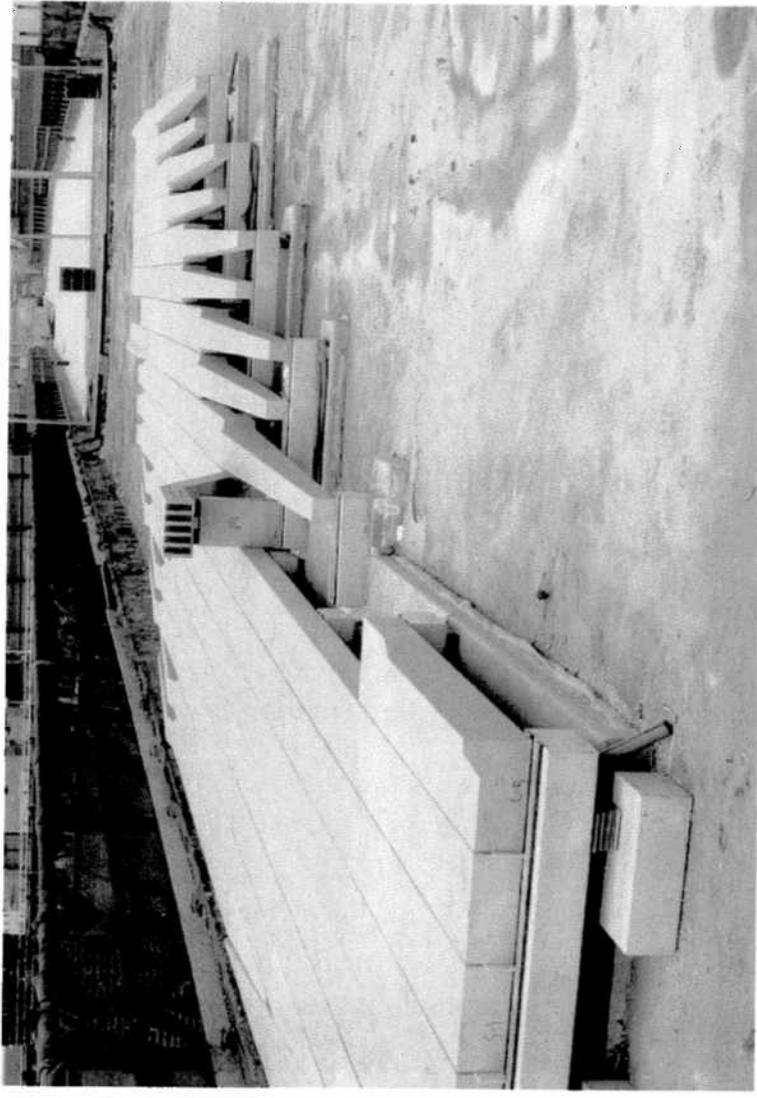
- Liquid-applied waterproofing membrane
- Drainage mat and green roof layers to support future plantings and protect concrete structure.



Topside: Planking Understructure and Concrete Paving

- Concrete beam “sleepers” support new walking surface.

- Concrete planks are 1' x 12'.

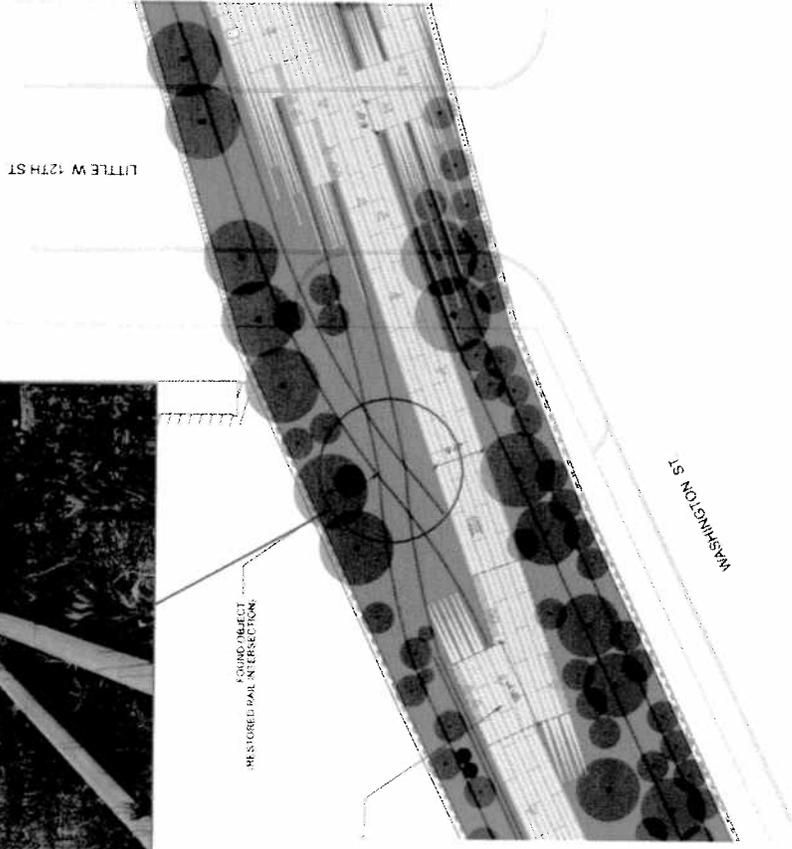
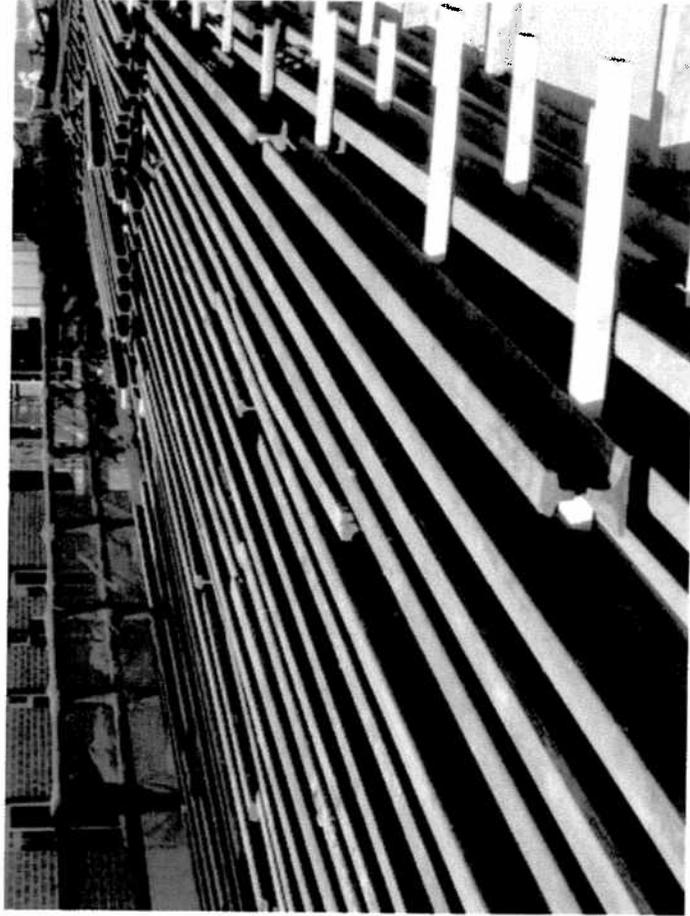


Topside: Plantings

- Soil
- Grasses
- Trees
- Shrubs

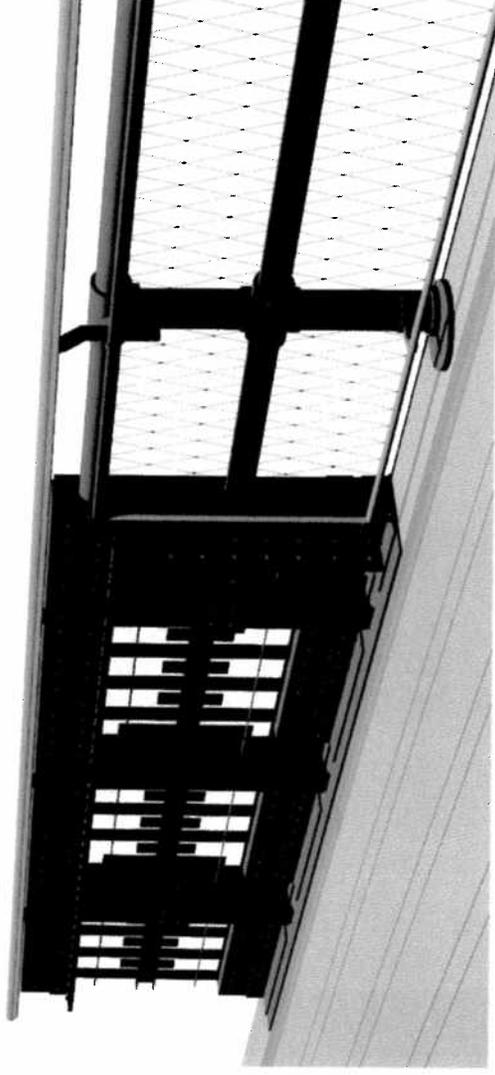


Topside: Rail Track Reinstallation

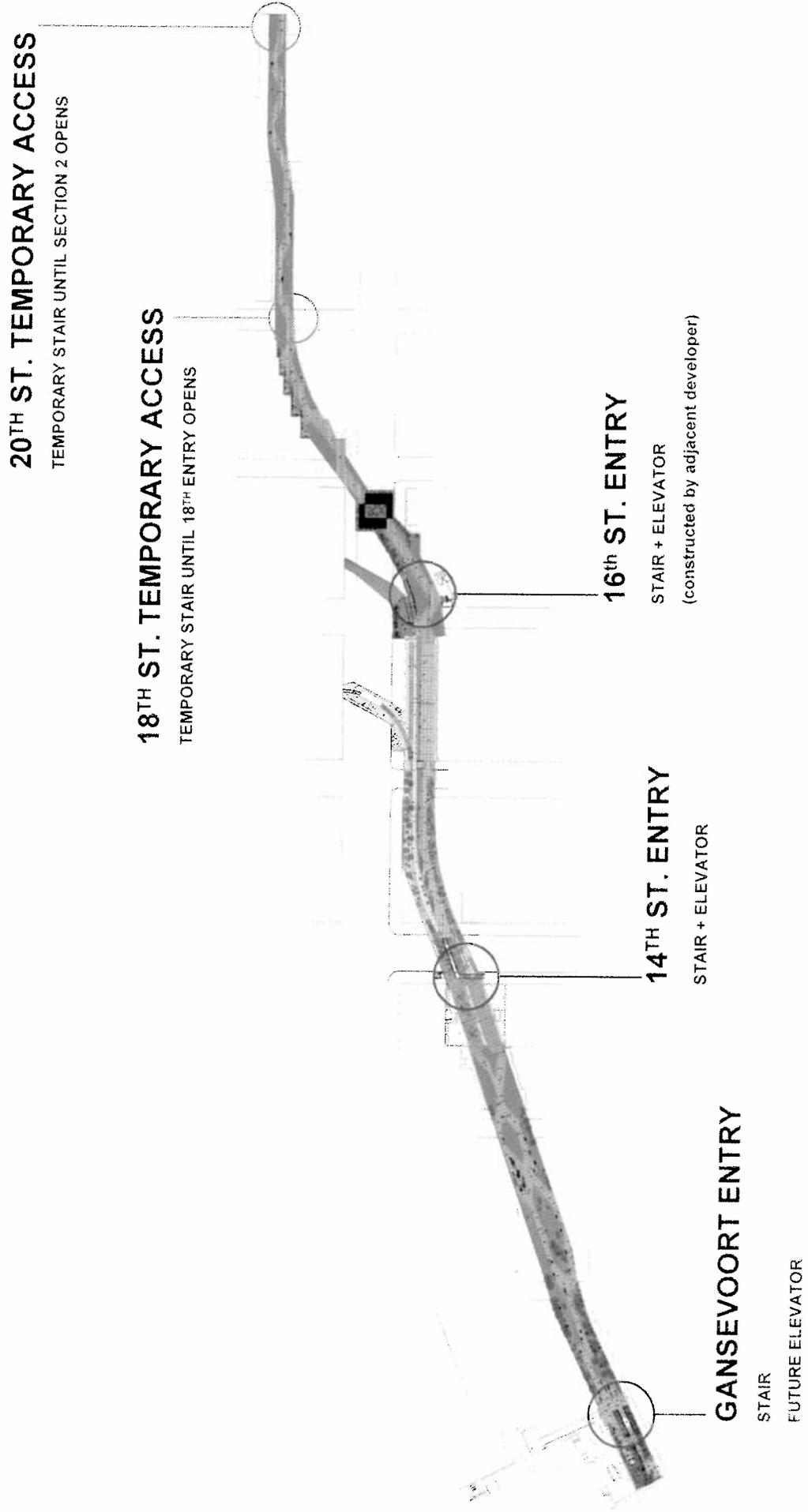


Topside: Railings and Lighting

- **Decorative Railing:**
Steel bars to fill in the gaps
- **Mid-Block Pipe Railing:**
Stainless steel mesh
- **Lighting:**
Hand rail/Light bar

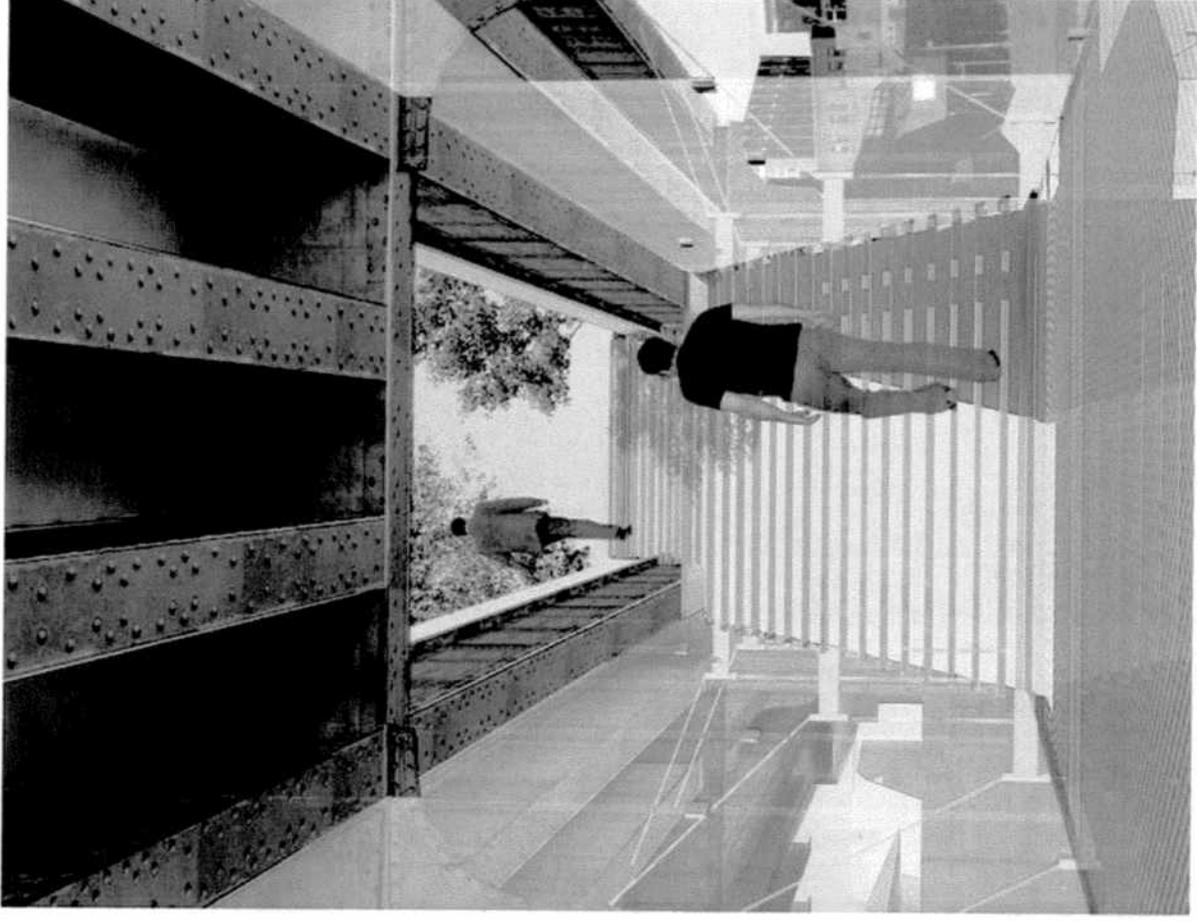


Access Points



Access Points: Stairs

- Stair cuts through the concrete slab.
- Stainless steel stair hung from the High Line structure.



Access Points: Elevators

- 14th Street: Glass elevator installed adjacent to the High Line with sidewalk extension.
- 16th Street: public elevator constructed by adjacent developer.
- 18th Street and Gansevoort Street: elevators to be built in future phases of work.

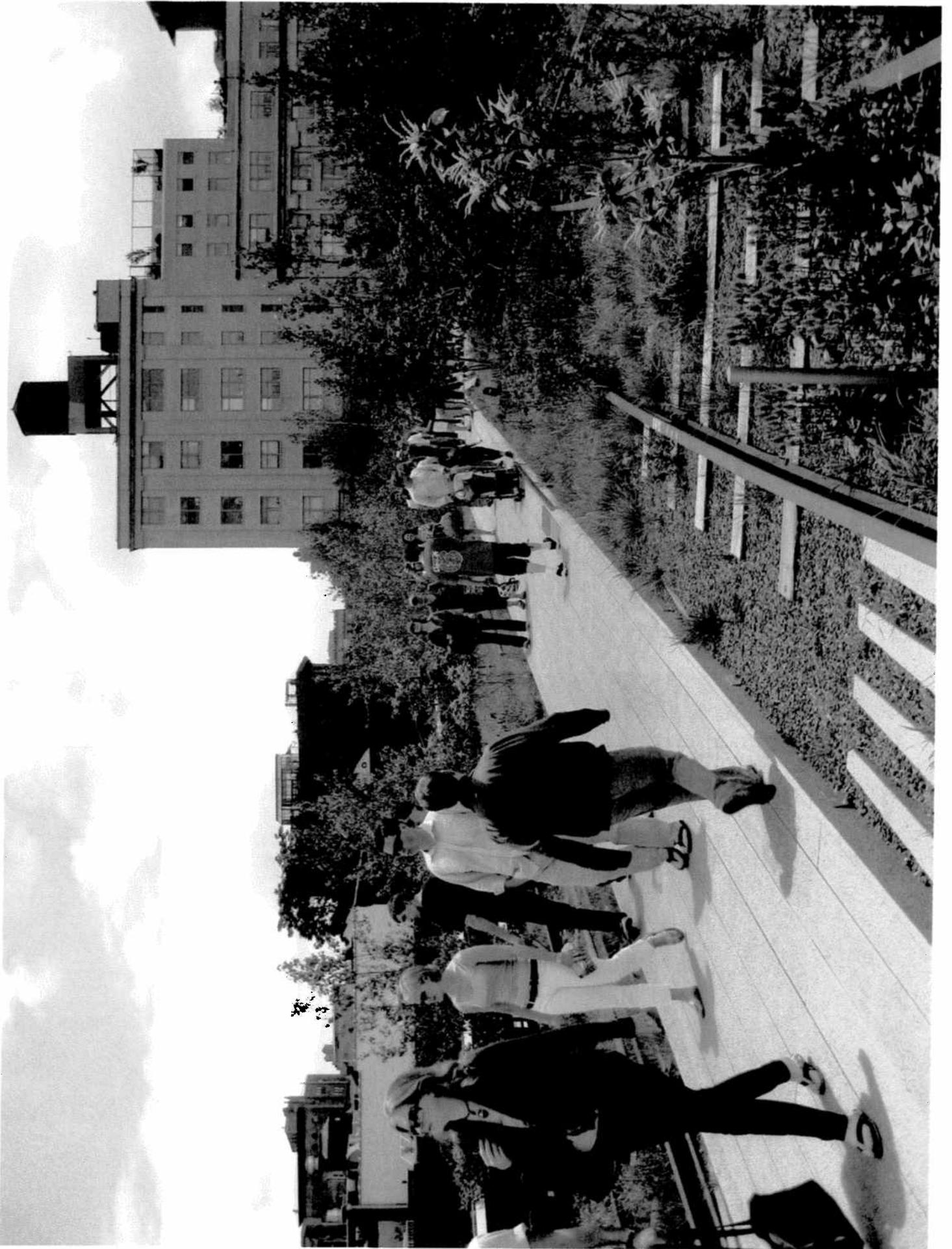


Section 1 Ribbon Cutting: June 2009



HIGH LINE: OPEN TO THE PUBLIC









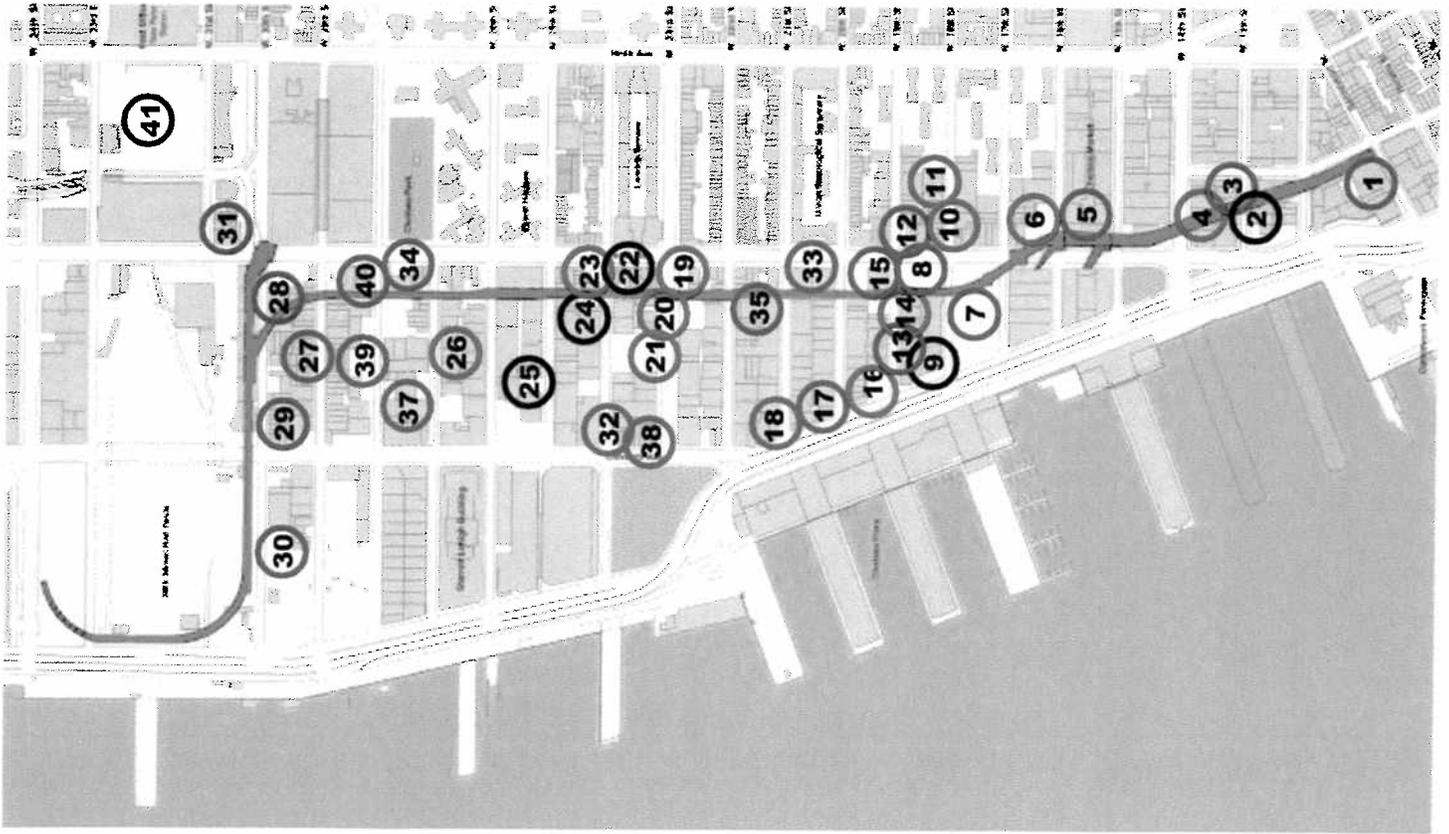


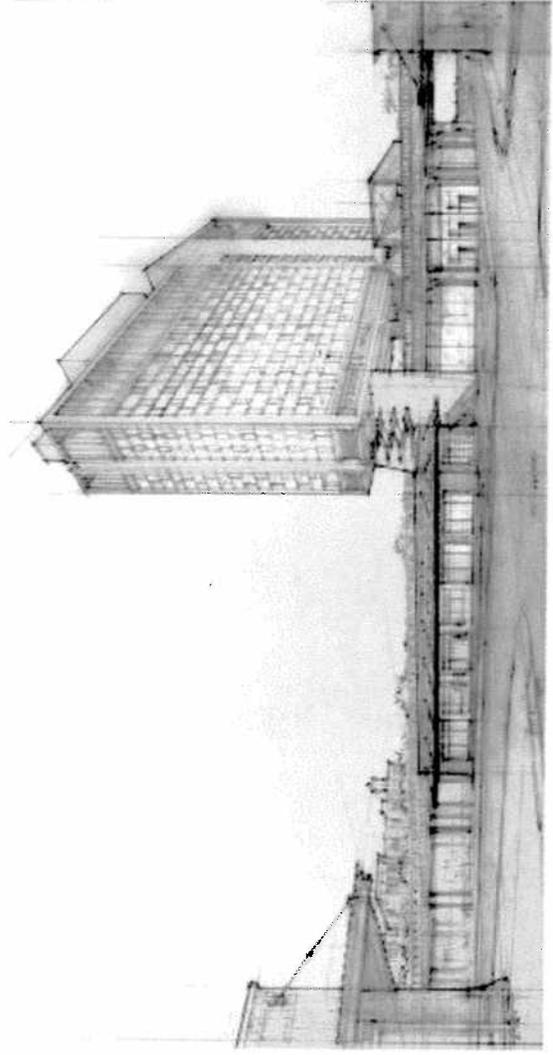
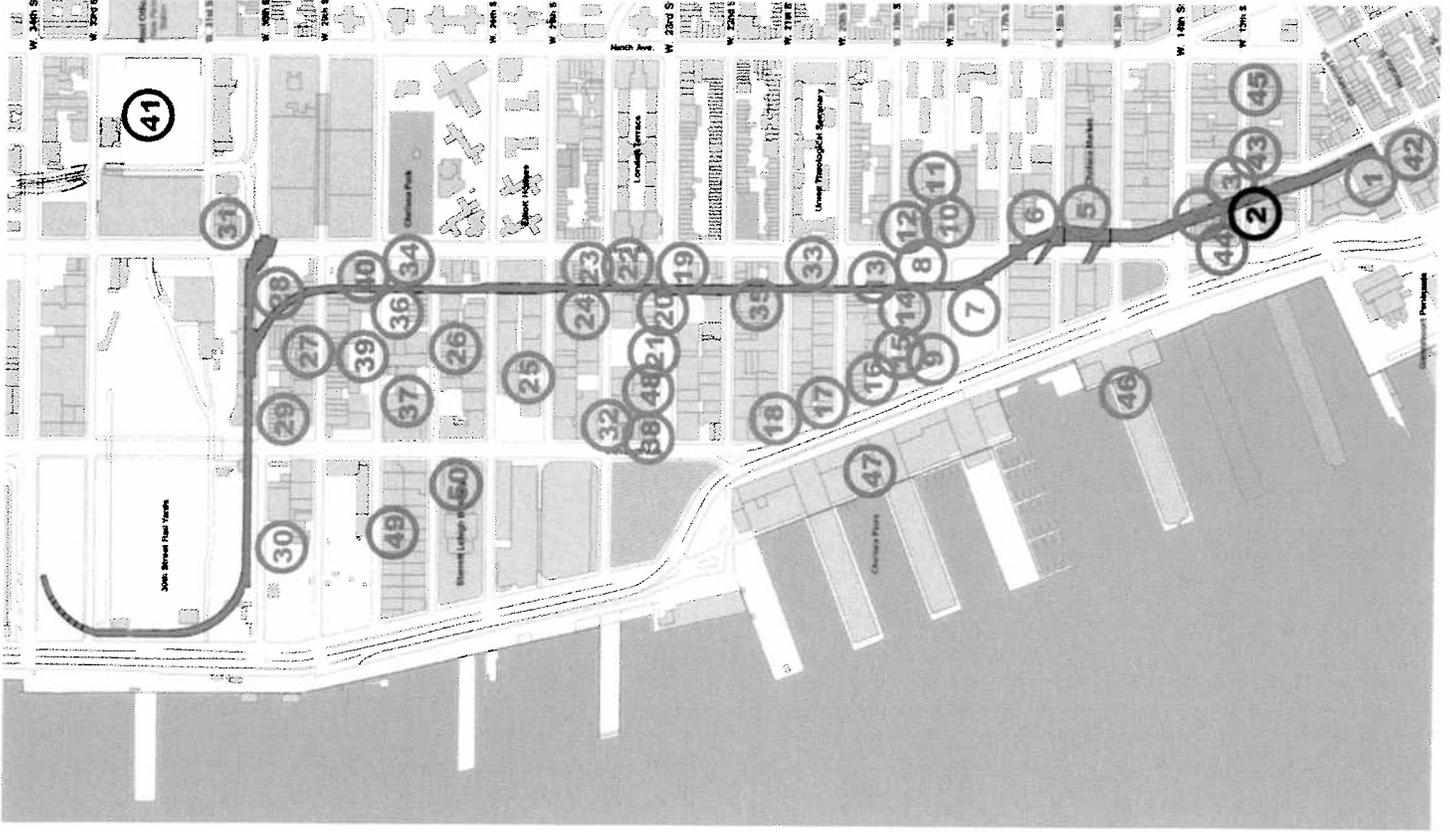


RECENT / CURRENT DEVELOPMENT

GANSEVOORT MARKET and FAR WEST CHELSEA

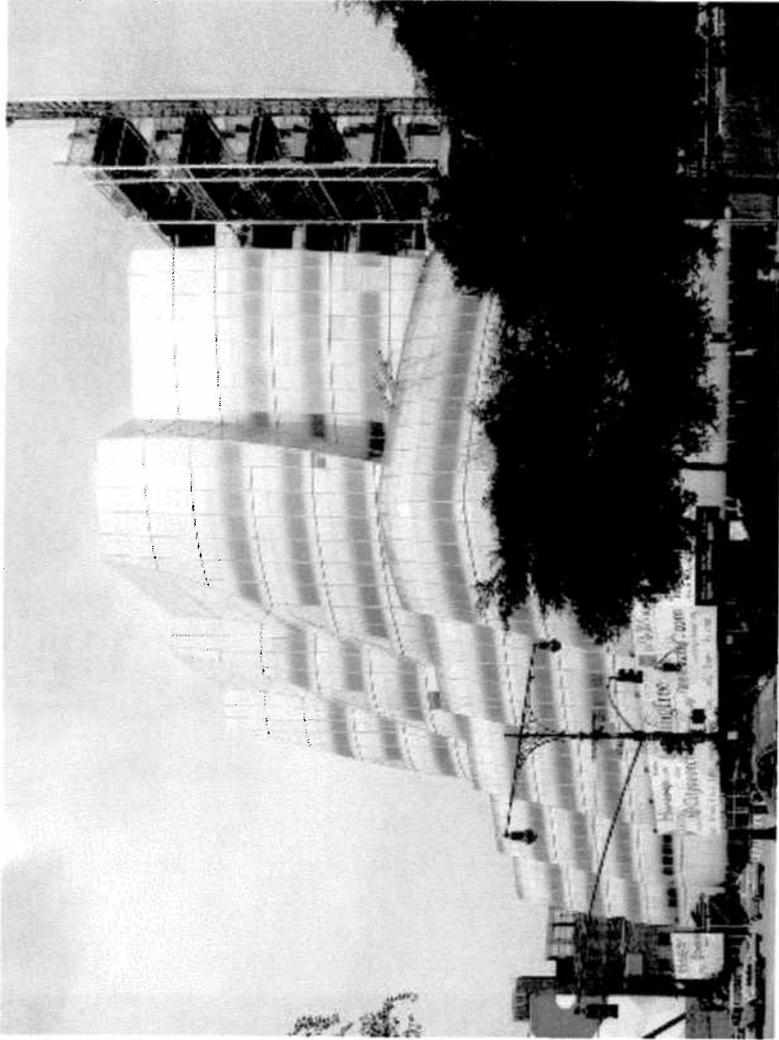
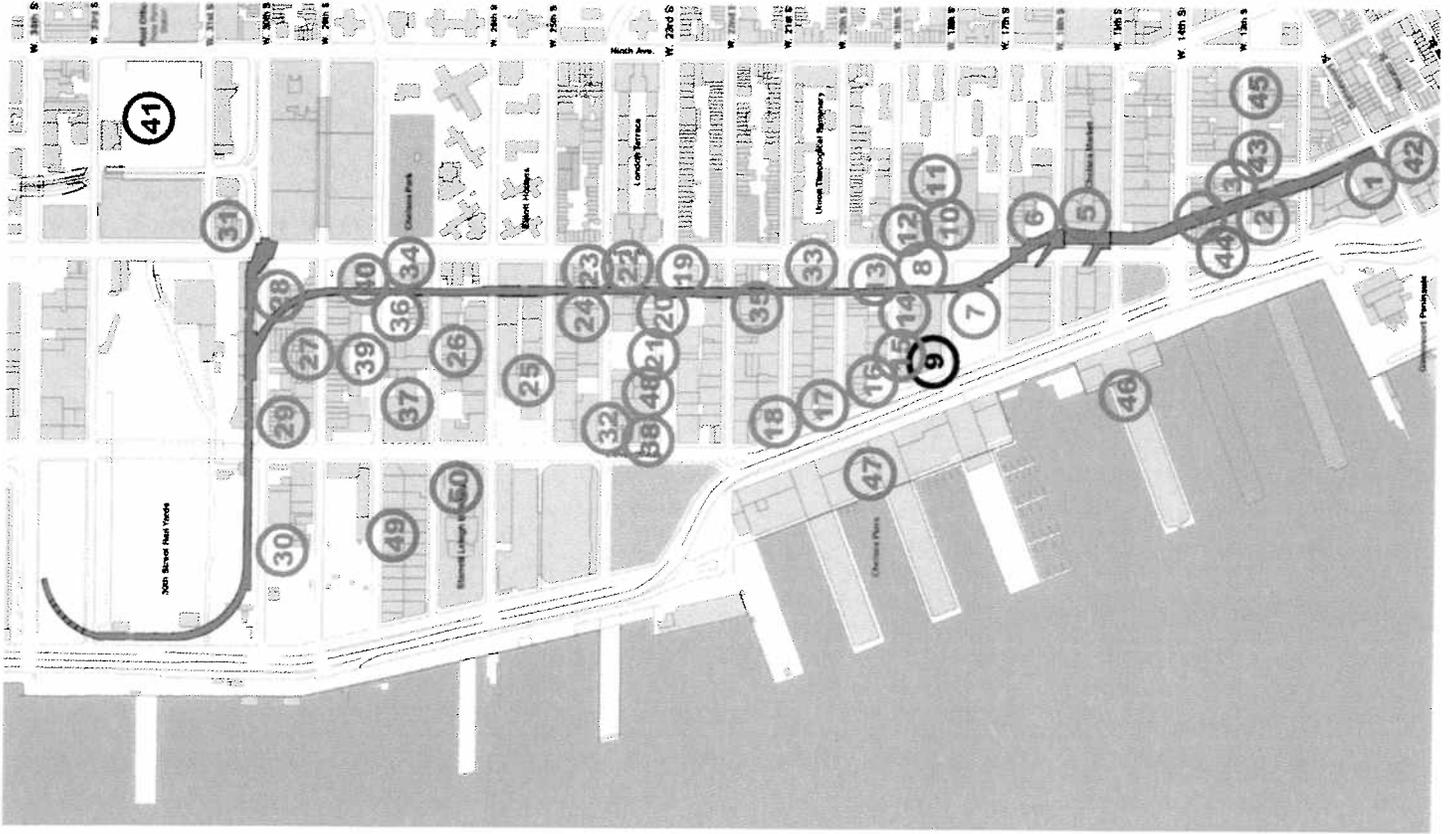
- COMPLETE
- UNDER CONSTRUCTION
- IN DESIGN





② The Standard
Hotels AB
Architects: Polshek Partnership
HOTEL

COMPLETED



© IAC/InterActiveCorp

The Georgetown Companies

Architects: Gehry Partners

COMMERCIAL

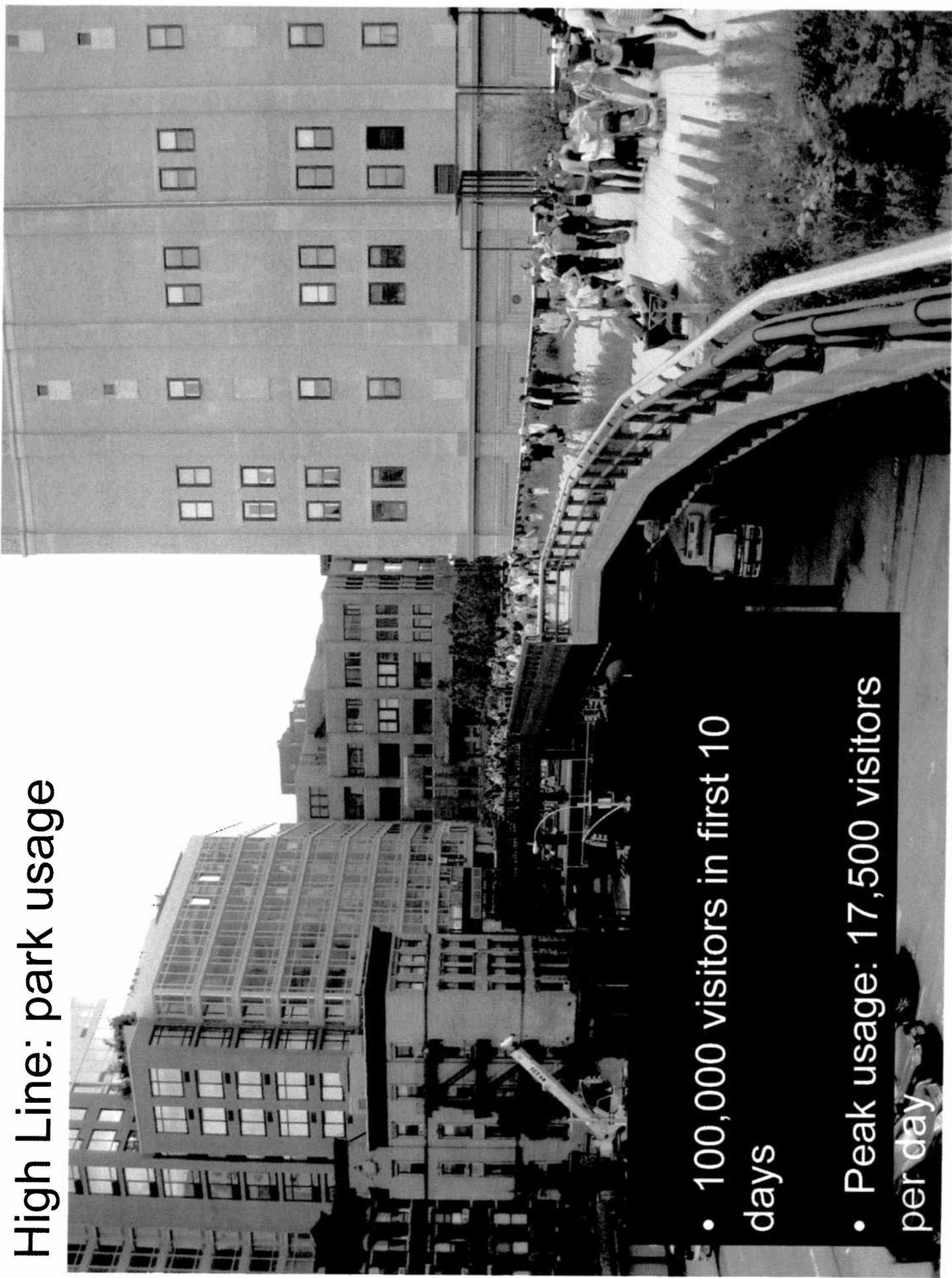
COMPLETED

FRIENDS OF THE HIGH LINE



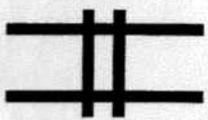
Friends of the High Line works to build and maintain an extraordinary public park on the High Line. We seek to preserve the entire historic structure, transforming an essential piece of New York's industrial past. We provide over 70 percent of the High Line's annual operating budget and are responsible for maintenance of the park, pursuant to a license agreement with the New York City Department of Parks & Recreation. Through stewardship, innovative design and programming, and excellence in operations, we cultivate a vibrant community around the High Line.

High Line: park usage

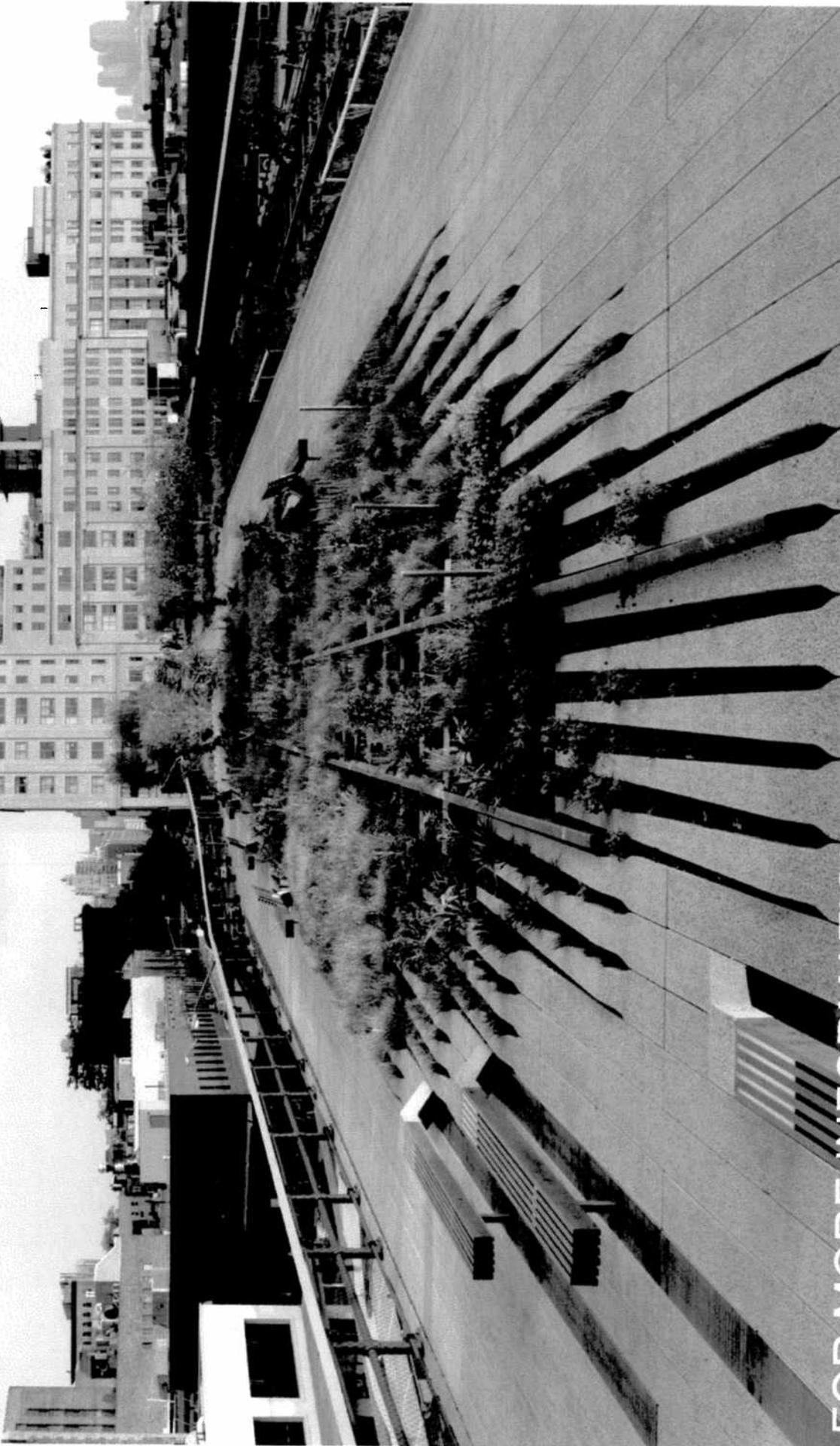


- 100,000 visitors in first 10 days

- Peak usage: 17,500 visitors per day



FRIENDS OF THE HIGH LINE



FOR MORE INFORMATION: www.thehighline.org (212) 206-9922



MAP

HIGH
LINE