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Cynthia T. Brown, Chief
Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington DC 20423-0001

**Re: Norfolk Southern Railway Company - Abandonment Exemption - In
Roanoke, Virginia, AB-290 (Sub-No. 389X)**

Dear Ms. Brown:

While this appears to be a routine Abandonment Exception ("AE") application by Norfolk Southern ("NS"), some background context seems important. It is the purpose of this letter to provide such insight, and also to forward a Notice to File an Offer of Financial Assistance ("OFA").

The proposed abandonment covers MP 4.0 – MP 4.5 of the Roanoke Belt Line in the City of Roanoke, Virginia. A major concern is the half-mile gap such an abandonment would create in the middle of the 7-mile Roanoke Belt Line.

As no physical mileposts exist on this branch line, we need to rely on the map provided by NS with its AE. Track and right of way proposed for abandonment are depicted in red superimposed on an overhead photo of the area. MP 4.5

would be at the right of the map just east of Bridge Street, and MP 4.0 would be at the left end of the red area, just east of the Korte Street crossing.

Description of the Line

From Korte Street crossing heading east, there is a major rail-served industry, Associated Asphalt (“AA”), that receives hundreds of tankcars of hot liquid asphalt annually. Photo 1 below shows the AA unloading facility. The main track of the Roanoke Belt Line is in the middle, and a double-connected siding is to the right. AA’s unloading facilities encompass both tracks, with spots for 13 cars on the siding, and 10 on the main.



Photo 2 below shows NS placing 10 asphalt loads at the facility yesterday.



Continuing east beyond AA's operation, Photo 3 shows a general view of the line between AA and Walker Machine & Foundry Corporation ("Foundry").



Roanoke River is to the left. Notice that the 50-ft. right of way provides ample space for the track and any future Greenway, even if a fence and landscaping were included.

Photo 4 shows the west end of the Foundry property where the Roanoke Belt Line becomes buried under vast piles of foundry waste, as much as 10 or 12 ft. high. Beyond the Foundry is the Bridge Street road crossing and then MP 4.5.



The Greenway Factor

Although not introduced in this Docket, a side agreement is said to exist between NS and City of Roanoke ("City") to convey the abandoned rail right of way to the City to facilitate completion of the Roanoke River Greenway. Appended to this letter are various news reports confirming this arrangement.

Greenway construction has been stalled by refusal of the Foundry to permit the trail across its property adjacent to the riverfront. The City seeks to leverage the Foundry's cooperation by **threatening** to locate the Greenway through the Foundry on the abandoned railbed, which the City knows the Foundry would not want, and would block the Foundry's access to its remaining land by the river. Presumably, because the Foundry will want to avert this intrusion, it will acquiesce to ceding the property the City wants along the river.

But the **threat** to route the Greenway through the Foundry is the same whether or not the railroad is abandoned. This is not an either / or situation. Both could easily be accommodated on the 50-ft. right of way. *To sacrifice the future of the Roanoke Belt Line by creating a half-mile gap in the middle is needless and unwarranted.*

Railroad Heritage

Roanoke has a strong railroad heritage and a lively rail tourism. The Virginia Museum of Transportation ("VMT"), the O. Winston Like Museum, and the historic Roanoke Shops and Shaffer's Crossing Yard attract thousands of visitors to the Roanoke Valley each year. Roanoke Chapter National Railway Historical Society ("RCNRHS") works closely with VMT to restore and display vintage railroad equipment.

Except for a short lead track at VMT, there is no place currently where restored railroad equipment can be operated. For this reason, VMT sought from NS an unused portion of the Roanoke Belt Line from MP 4.5 – MP 6.92 at the east end. This is a recent development, effective in January of 2016, **Docket No. FD 35976**.

It is vital to the future potential of the Roanoke Belt Line as a shortline operation that the line be kept intact without a half-mile gap in the middle. Substantial precedent exists by Class I railroads to spin off branch and secondary lines to local operators. Tennessee Valley Railroad Museum in Chattanooga is a good example. The museum operates tourist excursion trains on several former NS lines and performs industrial freight switching as well. This same model may someday come to fruition in Roanoke if the Roanoke Belt Line can be restored.

Environmental

The NS AE application of March 3, 2017, Exhibit D, and Surface Transportation Board's Environmental Assessment of March 28, 2017, both state that the environment will not be significantly affected by removal and salvage of rail and track material, that minimal soil disturbance will result, and that no digging or burial of any kind will occur.

As Photo 4 above showed, and as illustrated further by Photo 5 on the next page, the NS track and right of way within the Foundry are covered with significant piles of black foundry waste. Environmental remediation of this material, especially in

such proximity to the riverbank (tree line at right) and without knowledge of heavy metals or other constituent materials, is unknown but clearly non-trivial.



Abandonment Approval

NS makes the point that it should not be required to leave this portion of track in place because it represents an opportunity cost to the railroad. Certainly this is true and NS should be entitled to abandon track for which it has no further need or be reasonably compensated for leaving it in place.

If STB approves this AE, it should apply the following conditions:

1. NS work in good faith with the rail heritage groups whose interests align in keeping the Roanoke Belt Line intact and seek to protect this opportunity

for the future by filing the attached Notice of Intent to File an Offer of Financial Assistance.

2. NS convey to Associated Asphalt the tracks now accommodating that industry's unloading operation to prevent any disruption of service to that customer.
3. NS be required to pursue environmental remediation on its property within the Foundry before that right of way is transferred to the City or any future user or purchaser.

Respectfully submitted,



David L. Foster

CERTIFICATE OF SERVICE

I do hereby certify that on this 13th day of April, 2017, I have served a copy of
The foregoing Transmittal Letter by email to: wmullins@bakerandmiller.com,
Counsel of record for Norfolk Southern Railway, and further that I have placed a
copy in the U.S. Mail to:

William A. Mullins
Baker & Miller PLLC
2401 Pennsylvania Ave. NW, Suite 300
Washington, DC 20037

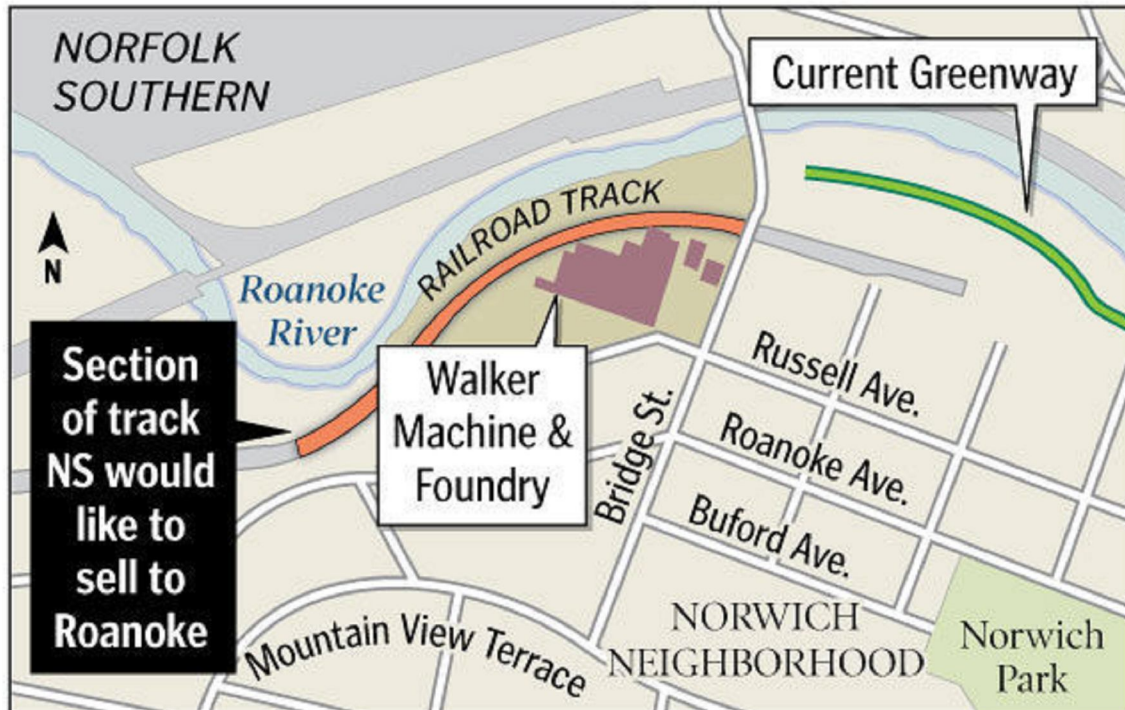
Walker Foundry: No recreation on our land

Casey: Greenway clash **leads to measure of karma**

For a long time, it appeared that a foundry along the Roanoke River had the upper hand in the city's efforts to use some of it's land for a greenway extensions. Now it it looks like the other way around.

- By Dan Casey dan.casey@roanoke.com 981-3423

Possible Greenway expansion



The Roanoke Times

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In September 2015, the “Battle of Norwich” picture looked a bit different than it does today.

The conflict is about some land, roughly seven acres along the Roanoke River in a long-neglected area . It’s owned by Walker Machine & Foundry, a local company that employs about 60 workers.

Roanoke City Hall sought an easement across the foundry’s land, to build a key link in the Roanoke River greenway. Walker refused to sell and practically dared City Hall to file a condemnation lawsuit for the acreage.

The foundry hired the top eminent domain lawyer in Virginia, a guy who’s been known to squeeze big money out of land-seeking government entities. It erected defiant signs and offered press tours of the almost century-old foundry. The company portrayed itself as the “little guy,” trying to hang on to its livelihood, up against big, bad, City Hall.

The company put “no trespassing” signs along some Norfolk Southern tracks that run right next to its plant, between the foundry buildings and the riverside land the city coveted.

The foundry folks argued the greenway would put them out of business. It was unthinkable, they added, for the linear park to pass within a long stone’s throw of their plant. Recreation and metal fabrication were absolutely incompatible, they declared. The presence of a greenway would ultimately cause them to lose their air quality permit, and without that they’d have to shut down.

Of course, Walker was willing to discuss selling the whole site, provided the city also bought the company a new site. City Hall demurred. That would have cost millions of taxpayer dollars, way more than anyone was willing to spend.

It seemed like Walker had the law and a certain amount of public sentiment on its side. And it also seemed the company had the city over a bit of a barrel. Millions of dollars in federal grant money could be lost if the city didn’t begin construction by spring 2016.

Nothing happened for more than a year. The city never filed a lawsuit. It found other ways to spend the greenway grant funds, so they wouldn't be lost.

And then, a few weeks ago, the landscape in this simmering dispute shifted suddenly and dramatically in the city's favor. Now City Hall appears to be holding the upper hand. And the reason is that set of abandoned railroad tracks directly adjacent to the foundry.

Behind the scenes, the city worked a deal with Norfolk Southern for that right of way. Now the city has an agreement to buy it. The railroad's undertaking a formal federal process of abandoning the half-mile stretch of track. The transfer could be concluded as soon as the end of April, City Engineer Phil Schirmer said Monday.

And when that happens, the roles in this saga will be totally reversed. Suddenly, the foundry might be the party interested in purchasing an easement.

Since the 1940s, foundry workers have been crossing those tracks to get access to the company's riverside parcel – the place where the city wants to put the greenway. The company stores sand it uses in metal castings there. It's always had the railroad's formal, written permission to cross those tracks.

Foundry President Glenn Muzzy has referred to that permission as "an easement." But that's not precisely what it is, Schirmer said. Rather, it's merely a letter from the railroad granting Walker permission to cross. The letter specifically notes the railroad can revoke that track-crossing permission at any time, Schirmer added.

The city's agreement with the railroad requires Norfolk Southern to revoke Walker's permission to cross the tracks before the city purchases them, Schirmer said. When the sale concludes, the city will be able to prevent Walker from getting to its riverside land.

And that's when the dealing may begin.

"My desire has always been to work with Walker Foundry to get a greenway as close to the river as possible," Schirmer told me.

The city could build the greenway on the abandoned tracks, fence them off and then Walker would have no access to its riverside land. Or the city could trade the tracks to Walker in exchange for Walker granting a greenway easement along the river.

The latter solution is the obvious one. Because if Walker doesn't deal, it could lose access to its own land.

"That's a little disturbing to me," Walker President Glenn Muzzy told me Monday. In a written statement, he added:

"A recreational use in the middle of our property is inconsistent with heavy industrial use such as Walker Foundry. Walker Foundry has been here since 1920 and it is unreasonable for the city to threaten the Foundry or its employees in this manner.

"Roanoke City has decided to solve the greenway problem in Norwich without contacting Walker or obtaining Walker's input. For almost 100 years we have provided jobs, paid our taxes, and shipped products throughout the country. We certainly don't believe the city is treating us fairly."

Of course, that's the way the city felt when the shoe was on the other foot. Back then, some officials privately seethed.

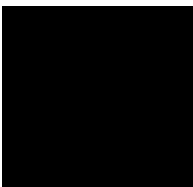
Now the city seems to be in the driver's seat.

It's yet another example of that old saying, "What goes around comes around."

There's a shorter, more succinct term: karma.

Roanoke seeks to acquire unused rail bed to extend river greenway in Norwich

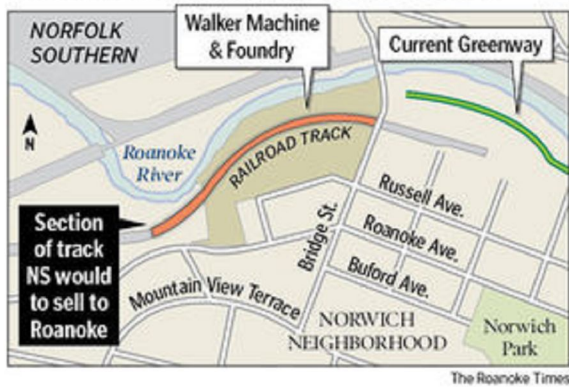
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ERICA YOON | The Roanoke Times

The rail lines that Norfolk Southern Railway is seeking to abandon and sell to the city government run directly beside Walker Machine & Foundry.

Possible Greenway expansion



Posted: Friday, March 10, 2017 6:15 pm

By Matt Chittum matt.chittum@roanoke.com 981-3331

Roanoke officials are attempting an end around on a foundry company standing in the way of completion of the Roanoke River Greenway — by going straight through it.

A week ago, Norfolk Southern Railway filed documents to the federal Surface Transportation Board seeking to abandon a half-mile stretch of unused rail line and sell it to the city.

That rail bed passes through the site of Walker Machine & Foundry in the Norwich neighborhood, the company that has refused to sell land to the city

for the greenway because its leaders believe the linear park could imperil the company's environmental permits.

If the abandonment is approved, the city would make a fee simple purchase of it, allowing them to do as they please with the former rail bed.

"Yes, we're going to build a greenway on it," said City Engineer Phil Schirmer. "It solves the big problem at Walker."

He said the city and railroad have already agreed upon a sale price, though he didn't divulge it.

Walker President Glenn Muzzy said he did not know about the proposed rail bed abandonment until The Roanoke Times shared with him the documents Norfolk Southern had filed. The paper downloaded them from the Surface Transportation Board's website.

"I hadn't heard anything from the city," he said. "Until I hear anything from the city I'm probably not going to have anything to say."

The documents, filed March 3, describe the railroad's wish to abandon a half-mile section of its Belt Line along the south side of the river with the intent that it be bought by the city of Roanoke. The line has not been in service for more than two years. Last year, Norfolk Southern donated a 2.4-mile stretch of the same line to an effort to run an excursion train. That section runs from Franklin Road west to Bridge Street in Norwich, and its donation orphaned the stretch now up for abandonment, from near Bridge Street west across the foundry's property to the edge of land owned by Associated Asphalt.

Schirmer said Friday the city has "been in confidential negotiations with NS for probably two years to try to get this piece."

During that time, the city also was attempting to acquire a strip of land from Walker on which to build what is now part of the final stretch of 10 miles of riverside greenway in the city.

In August 2015, the city offered Walker \$79,000 to buy a 30-foot-wide strip of land along the Roanoke River where city engineers want to put the greenway.

Muzzy refused the offer, and that triggered some discussion of using eminent domain — government's authority to force the sale of private land for public needs — to get the needed land, something never done to construct what at that time was 8 miles of the river greenway.

Muzzy and Walker argued that putting the linear park so near the foundry would change the conditions under which its environmental permits were granted, therefore imperiling them. Without permits, the plant would close and its 70 employees would be out of jobs, they said.

Based on that, they said the city should buy the entire Walker property and supply a new location for the foundry, which would cost millions.

Muzzy also worried that over time greenway users would become offended by the foundry operation and demand it move.

Walker hired Norfolk attorney Joe Waldo, the best-known eminent domain lawyer in the state, to help fend off the threat.

The two sides continued to talk but no progress was made. On Friday, Muzzy said foundry and city officials have had no discussions about the greenway since June.

All that while, it's now apparent, the city also was working to get its hands on the rail bed as a trump card. "It's huge," said Schirmer, the city engineer.

If the path goes down the rail bed, it will pass just feet away from the metal castings plant.

Schirmer said he would still prefer to put the greenway closer to the river, which would allow the path to cross Bridge Street below the bridge. If the greenway goes where the tracks are, it will cross Bridge Street at grade level, making it the only street crossing in 10 miles as the Roanoke River Greenway crosses the city.

Getting across that stretch of Walker's land, however, won't complete the greenway.

A 1-mile stretch from the Salem city limits east to near Aerial Way Drive is complete. In June, work is to begin on another segment from Aerial Way further east, crossing the river via a new bridge and continuing for about a mile toward Norwich. That leaves the stretch from there south across the Roanoke River via another bridge and continuing east — including the stretch that involves the Walker property — to connect to the existing greenway that now ends at Bridge Street.

Schirmer said he has nearly all of the land agreements needed for that construction. The biggest exception is the Walker Foundry land that could be traversed via the rail bed.

But there's one other piece of land on the south side of the river where the final bridge will land in current plans.

It's a landlocked parcel with no road access, owned by Walker Machine & Foundry.