



STATEMENT CONCERNING

Chicago Southland Economic Development Corporation Draft Environmental Impact Statement For the Proposed Canadian National Acquisition of the Elgin, Joliet & Eastern Railway Company

On behalf of the Chicago Southland Economic Development Corporation (CSEDC), and in my capacity of the Corporation's chairman, thank you for the opportunity to provide remarks relative to the referenced subject and its impact on the CSEDC service area.

CSEDC provides a forum, clearinghouse, and information base in relation to economic development for South and Southwest Cook and Central and Eastern Will Counties in Northeastern Illinois. Approximately 70 communities are included in the service area, a significant number contiguous to one of the five class 1 rail lines accessing the Chicago market.

Rail has been and will continue to be an integral part of the economic fabric of the region and the proposed acquisition of the Elgin, Joliet & Eastern (EJ&E) Railway by the Canadian National (CN) offers both opportunities and challenges locally.

All parties involved in the EJ&E proposal need to consider the opportunity to improve regional air/safety/congestion factors along the route while enabling municipalities to benefit from industrial/warehouse development utilizing access to an improved freight system. CSEDC and the South Suburban Mayors and Managers Association has just completed a study of the Chicago Southland Freight System and concluded "...there are tremendous opportunities to improve and grow good movement in the Chicago Southland while enhancing the business climate and promoting economic development."
<http://www2.chicagosouthlandedc.org/wp-content/uploads/2008/06/i-80-east-freight-final-report.pdf>

To address the challenge, the Southwest Conference of Mayors, Will County Governmental League, South Suburban Mayors and Managers Association, Will County Center for Economic Development, and CSEDC have developed a capital program for state and federal infrastructure financing. This program of capital investments for transportation related projects influencing quality of life and economic development in the CSEDC service area is detailed in attached chart. One of the projects is the STAR Corridor Improvements with the name taken from the proposed STAR commuter line

improvements utilizing EJ&E right-of-way. Should the acquisition be approved, various improvements would be necessary to ameliorate community concerns? To fund these improvements, the coalition has recommended increased funding from the CN and a separate line in the State Capital Program. These multiple layers of funding would be used for:

- Identification of high noise (residential zones) for construction of noise barrier walls;
- Logical placement of grade separations at locations accessible to public safety equipment, complimentary to commercial and industrial properties, preferably minor and major arterials;
- Identification of low volume crossings for possible consolidation/closures; and
- Adoption of design standards for the remaining at-grade crossings to eliminate whistle-blowing within the corridor; and incorporation of flyovers to reduce train stoppage along the corridor.

With the necessary infrastructure improvements, CSEDC envisions secondary development potentially exceeding the value captured by the redirection of rail traffic. Opportunities for infill development and redevelopment around the CN Intermodal Facility in Harvey suggest increased intermodal traffic, warehousing, trucking, component assembly and metal fabrication investment potential providing an industrial re-birth in the inner ring of Suburbs south of Chicago. There is also a significant new industrial park along the EJ&E in Sauk Village that could build out to over 5,000,000 square of industrial/warehouse space. In addition, there is major new industrial park opportunities in Chicago Heights, Richton Park, and Matteson along the EJ&E might benefit from this acquisition,

The prospects of expanded domestic and foreign trade – the latter through the development of a foreign trade zone – in conjunction with partnering with the Illinois Port Authority would enhance the region's reputation not only as the national freight hub, but the re-establishment of Chicago to its previous industrial prominence.