

FORTY PLUS FOUNDATION

Since 1939 - Americas oldest non-profit out placement service
Mailing Address: 7 Monmouth Road, Oakhurst, N.J. 07755-1666 Office: (732) 222-4327

FOUNDER

Henry Simler, (1876-1954)
President/CEO
American Writing Machine, Co.,
(Remington/Rand)

FOUNDING ADVISORY BOARD

Elliot V. Bell
Editorial Chairman
BUSINESS WEEK
James Bruce, Jr.
Financier

Col. Howard E. Cox,
Attorney
Cox, Treanor & Shagnessy
Arthur Godfrey
Entertainer & Conservationist
Peter Grimm,
Chairman

Wm. A. White & Sons
J. Peter Grace,
Chairman

W.R. Grace & Co.
Henry Hazlitt
Syndicated Columnist

Dr. R. Gordon Hoxie,
Chairman Emeritus
Center for the
Study of the Presidency

James A. Linen,
President
TIME, Inc.

Frank W. Lovejoy,
Executive

Socony, Mobil Oil Co.
Dr. Norman Vincent Peale
Marble Collegiate Church
James Cash Penney
Founder

J.C. Penney & Co.

Charles L. Plumb,
Chairman
Franklin Society Federal Savings
& Loan Association

F.C. Rooney, Jr.

Chairman
Melville Corp.

Hicks B. Waldron

Chairman,
AVON

Thomas J. Watson, Jr.

Chairman,

IBM ENTERED
Office of Proceedings

APR 08 2004

Part of
Public Record

HONORABLE ROGER NOBER, CHAIRMAN
SURFACE TRANSPORTATION BOARD
1925 K Street, N.W. Suite 700
Washington, D.C. 20423-0001

Re: Docket No. AB-167 (Sub-No. 109414 [Highline])
Chelsea Property Owners - Abandonment - Portion of the
Consolidated Rail Corporation's West 30TH Street Secondary Track
in New York, NY

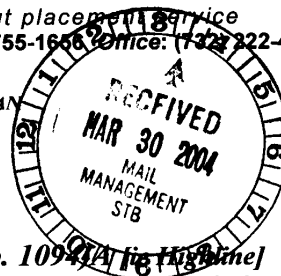
Dear Chairman Nober;

Our group, MANHATTAN CENTRAL RAILWAY SYSTEMS, LLC,
[MCRS] wishes to thank you for your effective intervention
(i.e.: March 12th Decision, reference our Oct. 22nd appeal) to address the
troubling concerns we had alerted you within our last
correspondence. Thankfully, your participation has served to
assuage a potential grave demoralization within our
community.

We are grateful that we have both yourself and the STB to
protect class III short lines such as ourselves from the potential
for conscious or imprudent abuse by parties' intent on
circumventing the STB mission to preserve rail lines and
protect railroads.

The unfortunate aftermath of the now ubiquitous abeyances that
are bestowed upon the City/CPO, have in fact prevented our
organization from pursuing the very efforts directed at restoring
rail service on the Highline, simply by further sequestering
CSX management -- who has consistently insisted that the
Board make the decision on the final disposition of the
Highline, and maintains that negotiating directly with our
group could jeopardize CSX's position absent a resolution from
the Board... essentially these abeyances' have fashioned a
wily rail-abolitionist "Catch 22" in this instance.

We are certain you can appreciate the paradox we must deal
with here; on one hand, during last July's public hearing, the
owners of the line literally pled with the Board to stop the
madness and [CSX] insisted that the Board make the final
decision on the disposition of the Highline in order to avoid
further confusion and a potential unacceptable liability for it's
shareholders.



210535

March 25, 2004

100,000+ Successful
Placements

40+ OFFICES

NEW YORK
NEW YORK CITY
BUFFALO
CALIFORNIA
OAKLAND
LAGUNA HILLS
LOS ANGELES
SAN DIEGO
SAN JOSE
ILLINOIS
CHICAGO
COLORADO
DENVER
FL COLLINS
COLORADO SPRINGS
HAWAII
HONOLULU
TEXAS
HOUSTON
DALLAS
NORTH CAROLINA
RALEIGH,*
WINSTON-SALEM
UTAH
SALT LAKE CITY
OGDEN
PROVO
WASHINGTON
SEATTLE
WISCONSIN
BROOKFIELD
MASSACHUSETTS
BOSTON*
MINNESOTA
ST. PAUL
OHIO
COLUMBUS
OREGON
BEAVERTON
PENNSYLVANIA
PHILADELPHIA
D.C.
WASHINGTON

INTERNATIONAL

CANADA
MONTREAL*
TORONTO
LONDON, UK*
FRANCE*
RHODESIA, SA*
* inactive

The Board obviously recognized the futility of the ICC's original flawed "*conditional abandonment*" ruling and directed affected parties to present briefs outlining perspective solutions to the current impasse. All parties have in fact submitted their briefs and fully expected a timely decision by **the Board**. You will find no objection from our quarter restricting others from proceeding in "private negotiations" to advance their agendas, but our reasonable objections focus on the cunningly crafted caveats within the abeyance that effectively thwarts our ability to negotiate with CSX or STB to complete our own agenda.

Furthermore, **the Board** and public should not be *thunderstruck* when once again no meaningful results are derived from the past 6 month *hibernation*. At this juncture our group feels we have historically supported reservations that come April 5th the Manhattan version of *Punxsutawney Phil* ... "*Knickerbocker Kyle*" will emerge from its lair and if the **Highline** casts a *shadow* -- it seems a virtual certainty to result in a minimum 6 more months of indecision and additional delays that are not in the public interest. To be serious, these delays further undermine the rich potential future, and critical time is of the essence employment contributions and deprives our City from the "*life line of NYC*" healthy reactivation -- providing a complete *carte du jour* of rail related services. Although the Board and all parties have insisted on a timely resolution, the tragic pervasive "*conditioning*" seems to be indecision. The **President, Governor and Mayor** have clearly stated that employment is a matter of national importance and our region needs employment opportunities today!

In light of both our country and cities growing economic crisis (with the exception of national security) the overriding public concern remains the development of employment. **FORTY PLUS**, as a nationally renown employment authority has developed this remarkable proposal designed to accommodate growth and meet the employment aspirations of our citizens. A reactivated **Highline** will create new opportunities for commercial and residential development plus assure an exceptionally bright future for our community with this resource as a self sustaining and employment generating vehicle in the greatest untapped swathe for economic expansion and improve the quality of life and NYC's competitiveness.

As authorities, we recognize the critical need for employment locally (and nationally), we respectfully implore **the Board** earnestly embrace the exceptional proposal that our group has painstakingly complied under **the Boards'** directives and respond to the ever growing *crecendo* of public support to preserve this historic line and return it to its original self sustaining purpose **ASAP**. A reactivated **Highline** addresses the reality of the ever increasing transportation and freight demands and benefits both our community, CSX and complement the **STBs'** mission "to preserve rail lines and protect rail roads".

In light of this March 12th decision which outlines **the Board's** position; that the abeyance should not "*prevent[ed] Forty Plus from pursuing efforts directed at restoring rail service over the Highline*" and furthermore encourages private resolution and negotiations. **MCRS** wishes to take this opportunity to move forward and work closely with **the Board** in order to respond to and satisfy **the Board's** requirements that will result in our acquisition of the **Highline** with the expressed objective to reactivate and operate the **Highline** as a profitable Class III Short line railroad.

As you know, since **CSX's** acquisition of the **Highline**, they repeatedly stated their eagerness to rid themselves of it -- and clearly professed their anxiety regarding the potential massive liability of the disposal of the **Highline** for non-rail applications. The acquisition as a Class III short line will absolve **CSX** of its dreaded liability concerns!

After numerous meetings and contacts originally brokered by **ConRail** management over the subsequent years, **CSX** management grew exceedingly adamant that the **STB** must make the final decision concerning the **Highline's** disposition and has consistently insisted that we pursue our interests in reactivating the **Highline** solely thru the **STB**. Our initial enthusiasm, after last July's **STB** meeting,

turned into our understandable confusion (conceding that we do not procure rail lines everyday) when our properly submitted brief has been unwillingly swept up in an astonishing multiple *abeyance vortex* (including our Oct.'03 appeal). The March 12th decision now clearly illustrates that our only recourse is to participate within **the Boards** outlined framework and actively negotiate the acquisition and reactivation of the **Highline** directly with the **STB** in exact compliance with **CSX's** directive.

As a result of these unprecedented circumstances, our directives to negotiate directly with **the Board** is in acquiescence to **CSX** management's wishes and would obviously not interfere with the abeyance (hopefully permanently expiring April 5th) since it is subordinate to the **STB** priority of discussions designed to reactivate rail lines and adhere to the primary mission of the **STB** to preserve and protect rail lines. We would of course continue to impress upon **the Board** our strenuous objections to any further abeyances that under **STB** rules would be subordinate to the immediate reactivation of rail services on the **Highline**.

As we have documented previously, **MCRS'** proposal complements future growth and comfortably co-exists with any residential or commercial development as corroborated within historic and new studies [NY/NJCT **REGIONAL PLAN ASSOCIATION (RPA)**][**THE FAR WEST SIDE: TRANSPORTATION NEEDS AND IMPACTS**"-03/04] that confirm the importance of transportation and how a program such as ours can alleviate capacity and mobility throughout this area (and system) by recycling the **Highline** with it's precious easements in tact, providing additional secure and environmentally sensitive freight redundancy further validating the importance of rehabilitating and reactivating the Highline. While not surprising there are no equivalent studies that support any rational to modify the easements into a "*conditional*" promenade.

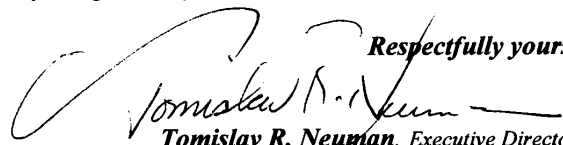
There is a wealth of documentation (and common sense) that supports reactivation. As you are aware, there have never been any objections from any parties concerning the prospects of the reactivation of rail services on the **Highline**. As you know, during the **ICC's** review, **ConRail** never wavered in defending the prospect of self sufficient rail service for the **Highline's** future – and in hindsight **ConRail** was right!

ConRail's argument was unfortunately undermined by the tragically depressed rail industry at the time, resulting in a *flawed* adverse (conditional) abandonment decision and the current limbo that the line finds itself. In light of the dramatic rebound and importance that the rail industry has enjoyed (as reflected in the impressive purchase of **ConRail**) the **Highline** should not be relegated to the dust bin of history due to a sadly flawed decade's old perception of the rail industries future. The prospect of this rail lines *euthanization* or forced *retirement* have never been acceptable options to our community, as authorities in resurrecting careers once thought past their prime we will do it with the **Highline** also.

Our research indicates that the lack of greater acknowledgement concerning reactivation from the **STB** (thanks to the **ICC** ruling) is the driving force behind the **Highline's** perceived service limitations... which fuels the ongoing trepidations that the current *rail-abolitionists* maintain. We remain optimistic that with your involvement these "*misperceptions*" will be corrected.

We look forward to reviewing the above with you and **the Board**. I will make the effort to contact you directly in order to review next logical steps, we thank you again for your kind intervention in responding to our concerns.

Respectfully yours,


Tomislav R. Neuman, Executive Director
FORTY PLUS FOUNDATION &
MANHATTAN CENTRAL RAILWAY SYSTEMS, LLC

TRN/jm