

15607

NEAR SOUTH PLANNING BOARD

September 25, 2008

Ms. Phillis Johnson-Ball
Surface Transportation Board
395 E. Street, SW
Washington, DC 20423

Ref: STB Finance Docket No. 35087

Dear Ms. Johnson-Ball:

The Near South Planning Board, a not-for-profit, community based organization representing the businesses, property owners and institutions on the City's Near South Side of Chicago had the opportunity to carefully review CN's proposal to acquire the EJ&E Railroad. No area can be more acutely aware of the importance of a strong rail transportation system than Chicago's South Loop and Near South Side. The area was forged by bustling rail development more than a century ago and the industry continues to be a driving force in the regional economy.

While the economic benefits of Chicago as a rail center have rippled well beyond the Downtown and South Loop areas, the burdens of the system have not. Urban communities – many on the City's near South Side, have had to deal with the majority of train crossings since the days when locomotives chugged into the area under the power of coal.

The CN plan to acquire the Elgin, Joliet & Eastern Railway is a crucial step in ensuring the health of the region's rail system and allowing for continued economic growth, employment, and the kind of urban development the Near South Side has enjoyed for so many years.

But it's also a matter of environmental justice.

In purchasing the EJ&E rail line CN will reduce train traffic and congestion throughout the Chicago Metropolitan area – especially around the South Side and in other vital urban areas.

CN is moving ahead with the solution to a known problem. The company's investment of \$400 million will be a boon to the area. More importantly, it is the cornerstone of a public-private partnership to offer far-reaching transportation solutions for the region.

Freight trains can take as long as 24 hours to cross the Chicago region on the current patchwork maze of rails. Trains sit idle emitting fumes, move at a crawl on outdated tracks, and cause delays for manufacturers, consumers and motorists.

Continued on next page

Chicago's Renaissance Communities

1111 Jackson Boulevard to 35th Street — South Branch of Chicago River to Lake Michigan

1727 S. Indiana #G02A
Chicago, IL 60616
Phone 312.987.1980
Fax 312.987.9215
www.thenearsouthplanningboard.org

Serving the Communities of:

Burnham Park

Burnham Shores

Central Station

Chinatown

Dearborn Park

Franklin Point

Groveland Park

Michael Reese Hospital

Illinois Institute of Technology

Lake Meadows

LaSalle Park

McCormick Place

Mercy Hospital

Prairie Ave. Historic District

Prairie Shores

Printers Row

River City

The Gap

The Financial District

The Museum Campus

South Commons

South Michigan Avenue

Woodland Park

Page 2
Written Testimony
Ref: STB Finance Docket No. 35087

The plan not only provides a much-needed solution for freight carriers, but enhances the quality of life for many people on the South Side, throughout the City of Chicago and across the region.

It will improve the operations of Amtrak and Metra. It will mean fewer train crossings in communities where traffic currently is heaviest – mostly in key urban neighborhoods.

Failing to move forward on the project would be a terrible mistake and would miss a dynamic opportunity. It would mean the loss of jobs, the loss of investment, the loss of tax revenue, and would reduce opportunities to keep our urban neighborhoods vibrant and growing.

Consider some of the figures from CREATE's 2005 Feasibility Study:

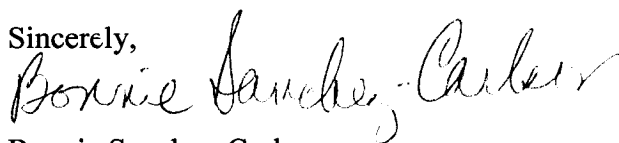
- ☐ Rail traffic in the region impacts 5 million jobs nationally every year totaling \$217 billion in wages.
- ☐ Regional rail traffic accounts for a \$782 billion contribution to the U.S. GDP.

Freight rail transit is expected to double in the next 20 years and all of the Chicago region will benefit from that growth – not just urban neighborhoods.

While some suburban communities will see an increase in train traffic relocated from Chicago's urban neighborhoods, the increases still do not reach the levels currently experienced by residents of the South Side and other urban areas.

An environmental impact statement from the Surface Transportation board will help mitigate those increases, while urban areas still will shoulder their share of the traffic.

Near South Planning Board believes this acquisition will be in the best interest of the entire region and therefore, strongly supports CN's proposed acquisition. We respectfully urge you to support this proposal.

Sincerely,

Bonnie Sanchez-Carlson
President and Executive Director

C: T. Cornelius, CN Community Outreach