

SERVICE DATE – JUNE 26, 2020

SURFACE TRANSPORTATION BOARD

DECISION

Docket No. FD 36409

JON DELLI PRISCOLI AND FIRST COLONY DEVELOPMENT AND
RAIL HOLDINGS CO.—ACQUISITION OF CONTROL EXEMPTION—
MASSACHUSETTS COASTAL RAILROAD LLC

Decided: June 25, 2020

On June 2, 2020, Jon Delli Priscoli and First Colony Development and Rail Holdings Co. (Holdings) (collectively, the parties) filed with the Board a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to acquire control of Massachusetts Coastal Railroad LLC (Mass Coastal), a Class III rail carrier and wholly owned subsidiary of San Luis & Rio Grande Railroad, Inc. (SLRG), the debtor in a Chapter 11 bankruptcy proceeding in the U.S. Bankruptcy Court for the District of Colorado (the Bankruptcy Court).¹ The parties explained that Holdings intended to acquire the outstanding membership interests of Mass Coastal pursuant to bidding procedures established by the Bankruptcy Court and Chapter 11 trustee for the bankruptcy estate of SLRG.

Notice of the exemption was served and published in the Federal Register on June 18, 2020 (85 Fed. Reg. 36,930). The notice did not establish an effective date, but rather required Holdings to inform the Board as to the result of the bidding process, at which point an effective date could be established if Holdings were the successful bidder.

On June 19, 2020, the parties filed a letter stating that Holdings submitted the second-highest bid and, in accordance with the bidding requirements, has been designated as the “backup bidder.” According to the letter, if the winning bidder does not close for any reason, Holdings would be in the position to acquire the equity interests of Mass Coastal. The parties therefore request that the Board establish the effective date of the verified notice.

The parties’ request will be denied at this time. Consistent with the Board’s June 18, 2020 notice, the Board will promptly establish an effective date should the parties inform the Board that Holdings has become the winning bidder.

¹ See In re San Luis & Rio Grande R.R., Case No. 19-18905-TBM (Bankr. D. Colo.).

It is ordered:

1. The parties' request to establish the effective date of this exemption is denied at this time, as explained above.
2. This decision is effective on its service date.

By the Board, Allison C. Davis, Director, Office of Proceedings.