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Illinois Department of Natural Resources

One Natural Resources Way Springfield, Illinois 62702-1271
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JB Pritzker, Governor
Colleen Callahan, Director

March 22, 2021

Ms. Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street, S.W., Room #100
Washington, D.C. 20423-0001

RE: STB Docket No. AB-33 (Sub-No. 262X) — Union Pacific Railroad Company
Abandonment and Discontinuance of the Elm Industrial Lead in Fulton and Peoria
Counties, Illinois

Dear Ms. Brown:

On July 21, 2008, the Illinois Department of Natural Resources filed a request for Public Use Condition and a request for Interim Trail Use Condition (NITU) for approximately 24.7 miles of railroad between milepost 461.5 near Middle Grove and milepost 486.2 at Molitor Junction, in Fulton and Peoria Counties. By Order dated November 13, 2008, the Board granted the request to implement interim trail use and to permit public use negotiations as specifically set forth in the Order, for a period of 180 days commencing from November 13, 2008, and ending on May 12, 2009. On May 9, 2009, the Department filed a request for a 180 day extension, and by Order dated May 11, 2009, the request was so granted, extending the negotiating period from May 12, 2009, to November 8, 2009. On November 2, 2009, the Department filed a request for an additional 180-day extension, and by Order dated November 24, 2009, the request was so granted, thus extending the negotiating period from November 8, 2009, to May 10, 2010. The Department filed a request for an additional 180-day extension, and by Order dated May 17, 2010, the request was so granted, extending the negotiating period from May 10, 2010, to November 12, 2010. The Department filed a request for an additional 180-day extension, and by late Order dated December 14, 2010, the request was so granted, extending the negotiating period from November 12, 2010, until May 13, 2011. The Department filed a request for an

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additional 180-day extension, and by late Order Dated June 17, 2011, the request was so granted, thus extending the negotiating period from May 13, 2011, until November 13, 2011. The Department filed a request for an additional 180-day extension, and by Order dated November 9, 2011, the request was so granted, thus extending the negotiating period from November 13, 2011, until May 11, 2012. The Department filed a request for an additional 180-day extension, and by Order dated April 11, 2012, the request was granted, thus extending the negotiating period from May 11, 2012, until November 13, 2012. The Department filed a request for an additional 180-day extension, and by Order dated April 26, 2013, this was granted, extending the negotiating period from May 6, 2013, until November 6, 2013. The Department filed a request for an additional 180-day extension and by Order dated October 17, 2013, that request was granted, extending the negotiating period from November 6, 2013, until May 1, 2014. The Department filed a request for an additional 180-day extension, and by Order dated April 16, 2014, the request was so granted, thus extending the negotiating period from May 1, 2014, to October 28, 2014. The Department filed a request for an additional 180 extension, and by Order dated August 19, 2014, this request was granted, extending the negotiating period from October 28, 2014, to April 26, 2015. The Department filed a request for an additional 180-day extension, and by Order dated April 16, 2015, the request was granted thus extending the negotiating period from April 26, 2015, to October 23, 2015. On October 15, 2015, the Department filed a request for an additional 180 extension, and by Order dated October 30, 2015, the request was granted, thus extending the negotiation period from October 23, 2015, to April 20, 2016. The Department filed a request for an additional 180-day extension, and by Order dated April 21, 2016, this request was granted, extending the negotiation period from April 20, 2016, to October 17, 2016. On September 19, 2016, the Department filed a request for an additional 180-day extension period, and in an Order dated October 14, 2016, the request was granted and the negotiation period was extended from October 17, 2016, to April 15, 2017. On March 24, 2017, the Department filed a request for an additional 180-day extension period, and in an Order dated April 7, 2017, the request was granted and the negotiation period was extended from April 15, 2017, to October 12, 2017. On September 14, 2017, the Department filed a request for an additional 180-day extension period, and in an Order dated September 29, 2017, the request was granted and the negotiation period was extended from October 12, 2017 to April 10, 2018. On March 26, 2018, the Department filed a request for an additional 180-day extension period, and in an Order dated April 25, 2018, the request was granted and the negotiation period was extended from April 10, 2018, to October 7, 2018, but with a condition requesting additional information. On September 20, 2018, IDNR filed a letter requesting another 180-day extension of the NITU negotiation period. On November 14, 2018, an extension was granted and the negotiation period was extended from October 7, 2018, until April 5, 2019. On September 20, 2018, IDNR filed a letter requesting another 180-day extension of the NITU negotiation period. The extension was granted and the period was extended from October 7, 2018, to April 5th, 2019. On March 19, 2019, IDNR filed a letter requesting another 180-day extension of the NITU negotiating period. This extension was granted and the period was extended from April 5th, 2019, to October 2, 2019. On September 13, 2019, IDNR filed a letter requesting another 180-day extension of the NITU negotiating period. This extension was granted and the period was extended from October 2, 2019, to March 30, 2020. On March 31, IDNR filed a letter requesting another 180-day extension of the

NITU negotiating period. The railroad requested a one-year extension, which was subsequently granted, extending the time to March 30, 2021.

The Board has requested as follows: "...DNR will be required to describe in detail (1) the progress of its negotiations with UP since the last extension was granted, (2) the specific actions still needed to be taken before an agreement can be reached (including when those actions are expected to be completed), and (3) when (assuming the parties' further negotiations are successful) it expects an agreement with UP to be finalized. "

In October, 2018, the village of Hanna City met with the Hanna City Rails to Trails Coalition (HCR TTC) and offered to take the leadership role in acquisition of the UP Elm Industrial Lead. An updated appraisal of the property was required to apply for a new federal Recreational Trails Program grant (RTP grant). In October of 2019, the Village of Bellevue decided to withdraw from the coalition.

In November of 2019, the Coalition received letters of support for the project from the Peoria County Board, Farmington City Council, Fulton County Board, and Village of Hanna City Board. The property appraisal was started in January 2020, in connection with another RTP grant application. The appraisal was completed February 23, 2020, and the railroad provided a second, higher appraisal later. A public hearing was held on February 6, 2020, for public comment and input on the project.

In March, 2020, the Tri-County Regional Planning Commission (TCRPC) submitted an application for the RTP grant on behalf of Hanna City and the Coalition. This grant requires 20% matching funds, approximately \$416,200. In May, 2020, Hanna City also applied for an Illinois Department of Public Health Bike/Walk Virtual Learning Collaborative grant. In July, 2020, Hanna City was notified that they did not receive this grant. Also in July, 2020, Peoria County, Fulton County, the City of Farmington and Hanna City were negotiating the intergovernmental agreement between them all, and the amended agreement has been circulated for approval among them. An online petition was started to encourage support for the project, and that petition has gathered over 2,100 signatures as of today. In September, 2020, the Fulton County Board voted to withdraw from the intergovernmental agreement due to financial issues. The Board still supports the project but is unable to give their share of the matching funds. In October, 2020, the Hanna City Village Board, Farmington City Council, and Peoria County Board approved an intergovernmental agreement which included the \$416,200 in matching funds for the RTP grant. Also, the Coalition created a Build the Hanna City Trail 501(c)3 to solicit private donations to the project if the RTP grant is approved.

Due to complications affiliated with the COVID-19 remote work processes, RTP grant awards have been delayed by over 6 months. On Thursday, February 18, 2021, the Illinois Greenways and Trails Executive Committee approved a series of the pending RTP grants, including this one. That approval is pending Federal obligation/authorization and National Environmental Policy Act review. That review is expected by early summer, 2021. The TCRPC is attempting to meet with railroad representatives at this time, pending approval of the grant, to finalize a sale price.

The parties remain hopeful that this arrangement will produce a feasible purchase arrangement. The Department will provide further information on these topics if requested.

The Department continues to work with local partner jurisdictions to satisfy our negotiating needs. The unusual situation of the past year has caused incredible difficulty in coordination of matters such as this trail project. Involvement of multiple levels of government and diverse groups is good for the potential future of the trail, but does lead to delays. As has been discussed above, it does appear that the parties are much closer than previously to a resolution, but we do not believe that the parties will be able to finalize negotiations by the end date of the Order. Therefore, the Department respectfully requests the Board grant a 365 day extension until March 30th, 2022 or such time so indicated by the Board.

It is my understanding that the filing fee of \$450.00 is waived for state agencies requesting extension of NITU negotiations as to STB Docket No. AB-33 (Sub-No. 262X), Union Pacific Railroad Company. Please date stamp a copy of this letter and return it to the DNR.

Thank you for your consideration of this request, and please contact me should you have any questions or concerns.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Javonna Ackerman', with a long, sweeping horizontal line extending to the right.

Javonna Ackerman

cc: Jeremy Berman, UP
Louis Yockey, DNR
Richard Welsh, NARPO