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May 22, 2023

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration, Office of
Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

Re: Canonie Atlantic Co. – Abandonment Exemption –, VA
Hallwood to Cape Charles, VA
STB Docket No. AB 1266X
Notice that Interim Trails Use Agreement Reached

Dear Ms. Brown:

Pursuant to 49 C.F.R. §1152.29(h), Canonie Atlantic Co. ("CAC"), as the owner of the rail line that is the subject of the abandonment proceeding in Docket No. AB 1266X, and Eastern Shore Rail Trail Foundation ("ESRTF"), as the holder of the replacement NITU authorized by the Board in the decision served July 5, 2022, hereby jointly notify the Board CAC and ESRTF reached agreement on a Lease Agreement for Interim Trail Use and Rail Banking (the "Lease Agreement"). The Lease Agreement covers the entire approximately 49.1-mile rail line located between milepost 45.7 at Taylor Street in Hallwood, VA, and the end of the line at milepost 94.8 at Cape Charles, VA (the "Rail Line") that is the subject of this abandonment proceeding.

CAC and ESRTF certify that the Lease Agreement includes provisions requiring ESRTF to fulfill the responsibilities described in 49 CFR §1152.29(a)(2) as were set forth in the Statement of Willingness of ESRTF dated March 10, 2022, a copy of which is enclosed herewith. In accordance with the requirements of 49 CFR §1152.29(h), a map of the Rail Line is also enclosed herewith.

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The filing of this letter has been authorized by CAC and ESRTF. Please let us know if there are any questions regarding this filing.

I hereby certify that a copy of this letter was served by email on all parties of record as shown below.

Respectfully,

CLARK HILL

/s/ Eric M. Hocky

Eric M. Hocky
Counsel for Canonic Atlantic Co.

EMH:e

cc: Charles V. McPhillips, Attorney for ESRTF
Thomas L. Bowden, Attorney for Dahlgren Railroad Heritage Trail Association
Thomas J. Litwiler, Attorney for Delmarva Central Railroad Company
Roger Malik, New York, Philadelphia & Norfolk Railroad Resurrection, Ltd.
Champe Burney, Virginia Bicycling Federation

EXHIBIT B

STATEMENT OF WILLINGNESS TO ASSUME FINANCIAL RESPONSIBILITY

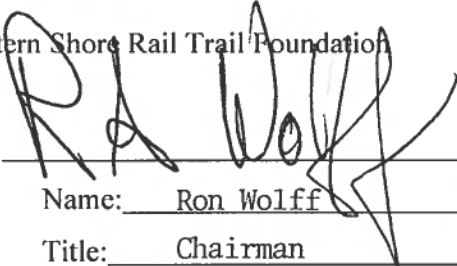
In order to establish interim trail use and rail banking under 16 U.S.C. 1247(d) and 49 CFR 1152.29 with respect to the Rail Line (as defined below) owned by Canonic Atlantic Co. ("CAC"), Eastern Shore Rail Trail Foundation ("ESRTF"), a Virginia non-stock corporation organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, is willing to assume full responsibility for: (1) managing the right-of-way, (2) any legal liability arising out of the transfer or use of the right-of-way (unless the sponsor is immune from liability, in which case it need only indemnify the railroad against any potential liability), and (3) the payment of any and all taxes that may be levied or assessed against the right of way.

The Rail Line extends between milepost 45.7 at Taylor Street in Hallwood, VA., and the end of the line at milepost 94.8 at Cape Charles, VA, a distance of 49.1 miles. The right-of-way is the line of railroad proposed for abandonment in Docket No. STB Docket No. AB 1266X.

A map of the property depicting the right-of-way is attached.

ESRTF acknowledges that use of the right-of-way is subject to the sponsor's continuing to meet its responsibilities described above and subject to possible future reconstruction and reactivation of the right-of-way for rail service. A copy of this statement is being provided along with a joint notice of the substitution of trail sponsors, and served on CAC on the same date the joint notice is being served on the Board.

Eastern Shore Rail Trail Foundation

By: 
Name: Ron Wolff
Title: Chairman

Dated: March 1, 2022

