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**BEFORE THE
SURFACE TRANSPORTATION BOARD**

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Office of Proceedings
January 7, 2025
Part of
Public Record

DOCKET NO. FD 36824

**NORTH FLORIDA INDUSTRIAL RAILROAD, LLC—LEASE AND
OPERATION EXEMPTION—RAIL LINE IN
COLUMBIA COUNTY, FLORIDA**

VERIFIED NOTICE OF EXEMPTION

**Terence M. Hynes
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Attorneys for North Florida Industrial Railroad, LLC

Dated January 7, 2024

Filing Contains Color Images

**FILED
January 7, 2025
SURFACE
TRANSPORTATION BOARD**

**FEE RECEIVED
January 7, 2025
SURFACE
TRANSPORTATION BOARD**

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DOCKET NO. FD 36824

**NORTH FLORIDA INDUSTRIAL RAILROAD, LLC—LEASE AND
OPERATION EXEMPTION—RAIL LINE IN
COLUMBIA COUNTY, FLORIDA**

VERIFIED NOTICE OF EXEMPTION

North Florida Industrial Railroad, LLC (“NFIR”), a non-carrier that will become a new Class III railroad company following the effectiveness of the present class exemption notice, pursuant to 49 C.F.R. Part 1150, subpart D, files this Verified Notice of Exemption from the prior approval requirements of 49 U.S.C. § 10901, to permit NFIR to lease and operate 4,891 feet of track in the vicinity of Lake City in Columbia County, Florida (the “Line”) connecting the North Florida Mega Industrial Park (the “Park”) with a rail line operated by Florida Gulf & Atlantic Railroad, LLC (“FG&A”). The Line, which is owned by Columbia County, Florida, a non-carrier, is currently inactive and will be leased by NFIR for the purpose of providing common carrier service, similar to prior transactions approved by the Board.¹

¹ See, e.g., *See, e.g., Mountain Pacific Railroad LLC—Lease and Operation Exemption—Moss Landing Commercial Park LLC at Moss Landing, Monterey County, Cal.*, Docket No. FD 36624 (STB served July 8, 2022) (noncarrier leasing private track to operate and provide common carrier rail service); *Pioneer Rail & Transload of Hawthorne, Fla., A Division of Pioneer Storage Company of Florida, LLC—Operation Exemption—Line in Hawthorne, Fla.*, Docket No. FD 36748 (STB

The information required by 49 C.F.R. § 1150.33 is set out below.

1150.33(a) *Full Name and Address of Applicant.*

North Florida Industrial Railroad, LLC
245 Riverside Ave., Suite 250
Jacksonville, Florida 322021

1150.33(b) *Applicant's Representative.*

Terence M. Hynes
Sidley Austin LLP
1501 K Street NW
Washington, DC 20036
(202) 736-8000
thynes@sidley.com

1150.33(c) *Statement Concerning Agreement.*

NFIR and Columbia County have entered a Development Agreement whereby NFIR will lease and operate 4,891 feet of track at the Park.

1150.33(d) *The Operator of the Property.*

NFIR will be the operator of the Line as lessee.

1150.33(e) *Summary of the Transaction.*

Columbia County is in the process of developing the Park in the vicinity of Lake City, Florida. Lease and operation of the Line will enable tenants to receive inbound and originate outbound freight shipments via NFIR, which will interchange with FG&A, which, in turn, will interchange with CSXT. NFIR will

served Jan. 12, 2024) (noncarrier acquiring track inside an existing industrial facility to provide common carrier service); *Western Nevada Railroad, LLC—Lease and Operation Exemption—Line in Churchill County, Nev.*, Docket No. FD 36573 (STB served Jan. 7, 2022) (noncarrier leasing private industry track in a business park).

maintain and operate the Line, provide switching and related rail services to the Park tenants, and effect the interchange and delivery of inbound and origination and interchange of outbound line-haul rail shipments.

1150.33(e)(1) *The name and address of the railroad transferring the subject property to the Class III rail carrier applicant.*²

The transferor is:

Columbia County, Florida
135 NE Hernando Avenue
Suite 203
Lake City, FL 32056

1150.33(e)(2) *The proposed time schedule for consummation of the transaction.*

The parties intend to consummate the proposed transaction as soon as practicable after the effective date of this Verified Notice and the continuance in control transaction that is the subject of the Petition for Exemption pending in

² Although 49 C.F.R § 1150.33(e)(1) refers to a “railroad” transferring the subject property, parties have submitted—and the Board has accepted—Notices of Exemption involving non-railroad seller parties. *See, e.g., Herrin R.R., LLC—Acquisition and Exemption—Herrin Ry. Williamson County, IL*, Docket No. FD 36233 (STB served April 12, 2019) (Notice of Exemption relies on Section 1150.33 for transaction involving a lease of a line owned by the City of Herrin, IL). *See also Portland Vancouver Junction R.R.—Operation Exemption—Rail Lines of Columbia Bus. Ctr., Clark Cnty., Wash.*, Docket No. FD 36134 (STB served July 19, 2017) (Notice of Exemption relies on parallel provision Section 1150.43 and even revises Section 1150.43(e)(1) to read: “The name and address of the non-railroad transferring the subject property to the Class III rail carrier applicant.”) (emphasis added).

Macquarie Infrastructure Partners V GP LLC, et al.—Continuance in Control—North Florida Industrial Railroad, LLC, Docket No. FD 36823).

1150.33(e)(3) *The mileposts of the subject property, including any branch lines.*

There are no designated mileposts on the Line.³ The Line will interconnect with the rail line currently operated by FG&A at milepost 888 on the FG&A.⁴

1150.33(e)(4) *The total route miles being acquired.*

NFIR is leasing 4,891 feet of track constituting the Line.

1150.33(f) *A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and states.*

A map showing the Line, its point of interconnection with FG&A, and the surrounding area is attached as Exhibit 1 to this Notice.

1150.33(g) *A certificate that applicant's projected revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier so as to require processing under § 1150.45.*

NFIR will be, upon its creation, a Class III carrier. NFIR certifies that its projected annual revenues as a result of the transaction will not exceed \$5,000,000.

³ The Board has accepted Notices of Exemption without mileposts in prior decisions. *See, e.g., Pa. & S. Ry.—Acquisition and Operation Exemption—Letterkenny Indus. Dev. Auth.*, Docket No. FD 36647 (STB served July 6, 2023) (Section 1150.41 Notice of Exemption where “there are no mileposts”); *Youngstown & Se. R.R.—Acquisition and Operation Exemption—Mule Sidetracks, LLC*, Docket No. FD 36342 (STB served Aug. 30, 2019) (exemption filed for lines including track segments for which there are no mileposts). Here, the Line is less than 5,000 feet.

⁴ As described more fully in the Petition for Exemption concurrently filed in Docket No. FD 36823, NFIR and FG&A are commonly controlled.

Accordingly, no advance notice is required under 49 C.F.R. § 1150.32(e). A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit 2 to this Notice.

1150.33(h) Interchange Commitments.

The proposed transaction does not involve any provision or agreement that would limit future interchange with a third-party connecting carrier.

1105 Environment and Historical Preservation Data.

Under 49 C.F.R. § 1105.6(c)(2), NFIR’s proposed lease of the Line does not require preparation of environmental documentation. The proposed transaction will not result in operational changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).⁵ Under 49 C.F.R. § 1105.8(b)(l), NFIR’s acquisition of the Line also is excepted from historic preservation reporting requirements. The proposed transaction is for the purpose of commencing rail operations. Further, Board approval would be required to abandon or discontinue service over any portion of the Line, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

⁵ See *Missouri Central—Acquisition & Operation Exemption—Lines of Union Pacific*, 4 S.T.B. 391, 397 (1999) (“it is inappropriate to apply a percentage increase to a base of zero”), *aff’d sub nom. Lee’s Summit, Mo. v. STB*, 231 F.3d 39 (D.C. Cir. 2000). The Board has, therefore, not required environmental reports for other transactions creating Class III shortlines with new rail operations. See, e.g., *Mountain Pacific Railroad LLC—Lease and Operation Exemption—Moss Landing Commercial Park LLC at Moss Landing, Monterey County, Cal.*, Docket No. FD 36624 (STB served July 8, 2022); *Pioneer Rail & Transload of Hawthorne, Fla., A Division of Pioneer Storage Company of Florida, LLC—Operation Exemption—Line in Hawthorne, Fla.*, Docket No. FD 36748 (STB served Jan. 12, 2024).

1150.34 ***Caption Summary***

A caption summary in appropriate form is attached as Exhibit 3 to this Notice.

* * *

For the foregoing reasons, Applicants respectfully request that the Board publish the requisite Notice of Exemption.

Respectfully submitted,

/s/ Terence M. Hynes
Terence M. Hynes
Marc A. Korman
Sidley Austin LLP
1501 K Street N.W.
Washington, DC 20005
(202) 736-8000
thynes@sidley.com

Attorneys for North Florida Industrial Railroad, LLC

Dated January 7, 2024

EXHIBIT 1 LINE MAP

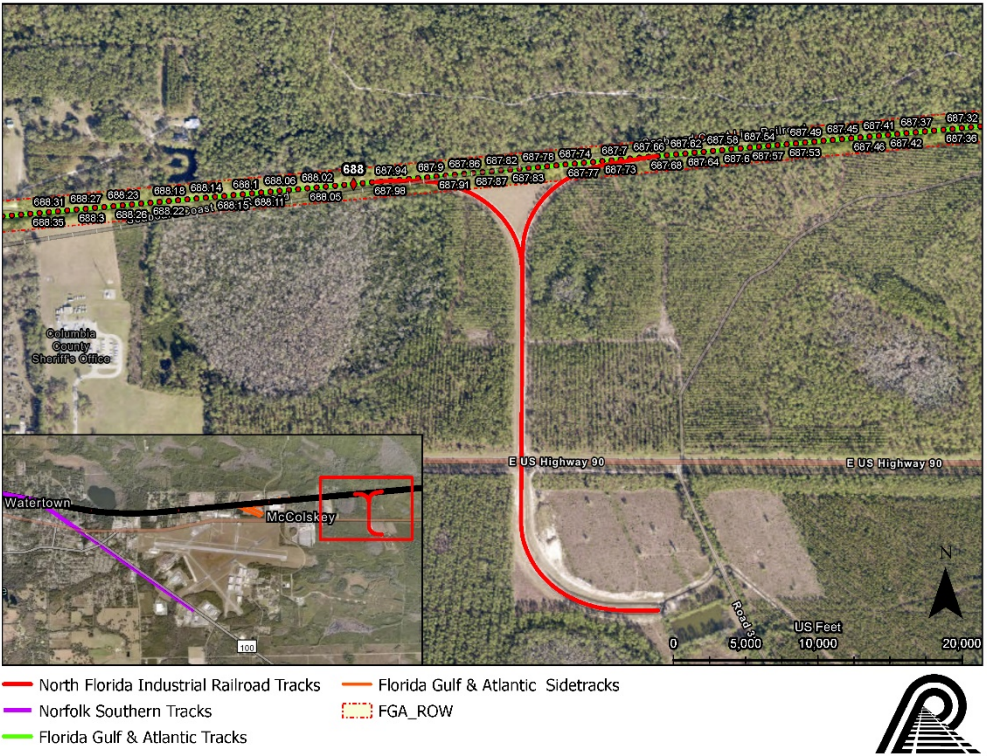
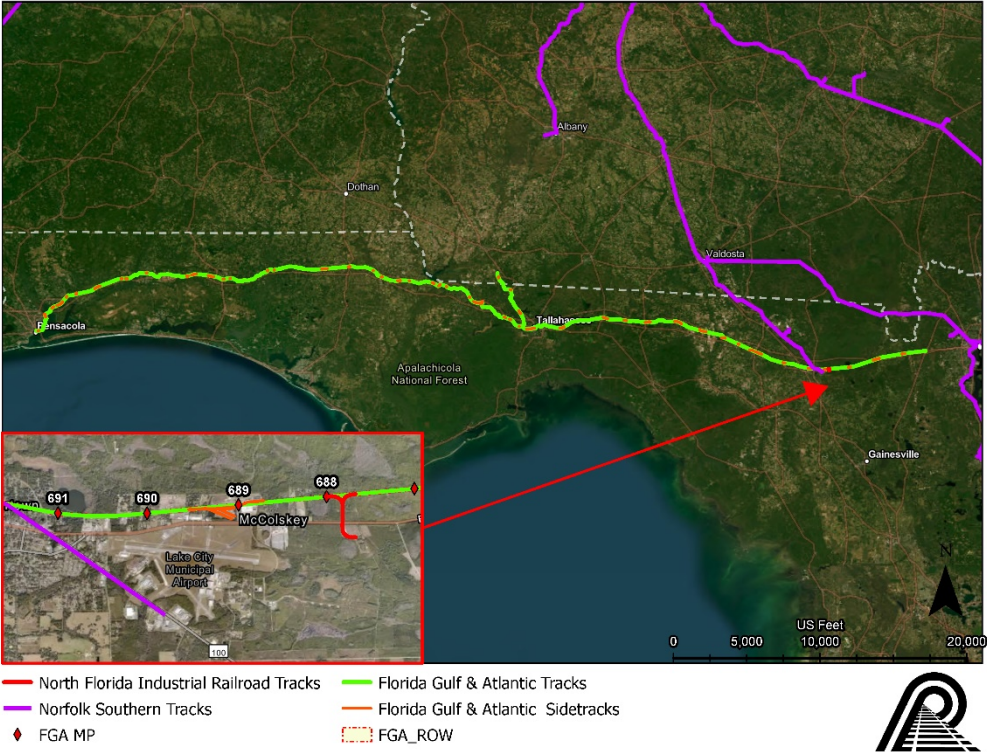


EXHIBIT 2
CERTIFICATE OF COMPLIANCE

I, Ryan Ratledge, hereby certify that the projected annual rail revenues of North Florida Industrial Railroad, LLC (“NFIR”), as a result of the transaction proposed herein will not result in the creation of a Class II or Class I rail carrier under the provisions of 49 C.F.R. § 1201 (1-1). Following execution of the transaction, NFIR will become a Class III rail carrier and will have revenues that will not exceed \$5 million annually.


Ryan Ratledge

**EXHIBIT 3
CAPTION SUMMARY**

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

DOCKET NO. FD 36824

**NORTH FLORIDA INDUSTRIAL RAILROAD, LLC—LEASE AND
OPERATION EXEMPTION—RAIL LINE IN COLUMBIA COUNTY,
FLORIDA**

North Florida Industrial Railroad, LLC (“NFIR”), has filed a verified notice of exemption to lease and operate approximately 4,891 feet of track (the “Line”) currently owned by Columbia County, Florida, located in the vicinity of Lake City in Columbia County. The Line has no mileposts. The transaction is related to a continuance control petition for exemption filed in Docket No. FD 36823.

Comments must be filed with the Board and served on NFIR’s representative, Terence M. Hynes, Sidley Austin LLP, 1501 K Street N.W., Washington, DC 20005; telephone: (202) 736-8000; email: thynes@sidley.com.

This notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

I, Ryan Ratledge, state that I am the Chief Executive Officer of North Florida Industrial Railroad, LLC and that I am duly authorized to execute, verify, and file this Verified Notice of Exemption. I have knowledge of the matters contained herein, and the statements made herein are true and correct to the best of my knowledge, information, and belief.



Ryan Ratledge