

BEFORE THE
SURFACE TRANSPORTATION BOARD

ENTERED
Office of Proceedings
April 19, 2019
Part of
Public Record

FD 36279

SUPPLEMENT TO VERIFIED NOTICE OF EXEMPTION

OF

SJRE – RAILROAD SERIES, A SERIES WITHIN SAN JACINTO REAL ESTATE, A
SERIES LLC

PURSUANT TO 49 C.F.R. §1150.31(a)

SJRE – Railroad Series, a series within San Jacinto Real Estate, a series LLC formed under the laws of the State of Texas (“SJRE Railroad”), by and through counsel, respectfully files this Supplement to its Verified Notice of Exemption filed on March 7, 2019. SJRE Railroad, a non-carrier, seeks to assume the operating rights on a railroad line located in Houston, Texas and located within the San Jacinto River and Rail Park, 18511 Beaumont Highway, Houston, Texas (the “Line”). SJRE Railroad is the owner of the Line.

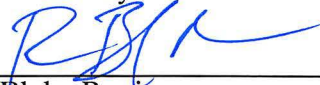
As the owner of the San Jacinto River and Rail Park, SJRE Railroad seeks the Surface Transportation Board’s licensing authority to operate the Line in its own right. SJRE Railroad clarifies that there are currently no other entities involved, and SJRE Railroad is not currently entering into an agreement with another party for the purposes of operating the Line, although it may seek to do so in the future. Currently there are no operations being conducted on the Line.

SJRE Railroad further clarifies that it seeks a change in operator exemption under 49 C.R.F. § 1150.31(a), and for the purposes of clarification, provides a brief background on the relationship between San Jacinto Transportation Company (“SJTC”). Although SJRE Railroad wishes to replace SJTC as the operator of the Line pursuant to 49 C.R.F. § 1150.31(a)(3), SJTC has been unresponsive to SJRE Railroad and SJRE Railroad is unable to obtain “consent” from SJTC to be replaced. Despite SJTC being granted authority as an operator in 2016 (FD 35996), it has undertaken no steps to operate the Line since that time. As a result, as described more fully below, SJRE Railroad terminated its agreement with SJTC.

In 2016, SJRE Railroad entered into an operating agreement (the “Agreement”) with SJTC to operate the Line, and shortly thereafter, SJTC received an exemption to operate the Line (FD 35996). However, SJTC never acted upon the Agreement and failed to provide any common carrier service to the Line. After numerous failed attempts to enforce the Agreement with SJTC, on December 5, 2017, SJRE Railroad terminated the Agreement. In January 2018, SJRE Railroad confirmed the termination of the Agreement, and since then has had no contact with SJTC whatsoever. SJRE Railroad is unaware if SJCT is still in existence.

Please let me know if you have any questions.

Submitted by:



R. Blake Runions
Mary Anna H. Rutledge
PORTER HEDGES LLP
1000 Main Street, 36th Floor
Houston, Texas 77002-6341
Telephone: (713) 226-6000
Facsimile: (713) 228-1331

ATTORNEYS FOR SJRE – RAILROAD
SERIES, a series within SAN JACINTO
REAL ESTATE, a series LLC

Dated: April 19, 2019