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OEA

SERVICE DATE – NOVEMBER 13, 2017

SURFACE TRANSPORTATION BOARD
WASHINGTON, DC 20423

ENVIRONMENTAL ASSESSMENT

Docket No. AB 1258

Alloy Property Company, LLC– Adverse Abandonment–Chicago Terminal Railroad in Chicago, Ill.

BACKGROUND

In this proceeding, Alloy Property Company, LLC (Alloy) filed an application under 49 U.S.C. § 10903, requesting that the Surface Transportation Board (Board) authorize the third-party or adverse abandonment of the authority of the Chicago Terminal Railroad (CTM) to operate over the remaining portions of the C&E and Bloomindale lines, a distance of approximately 2.625 miles in Chicago, Illinois. The line proposed for abandonment originates at the western side of North Elston Avenue and proceeds east and south to a terminus near the intersection of Chicago Avenue and Halsted Street in the “Goose Island” district of Chicago (the Line). A map depicting the Line in relationship to the area served is appended to this EA.

DESCRIPTION OF THE LINE

Alloy indicates that it initiated this proceeding because it is working to transform a vacant, former industrial property into a major mixed-use development, known as the Lincoln Yards Development, in Chicago. Alloy states that its planned Lincoln Yards Development would create a vibrant new urban center on centrally located riverfront property.

According to Alloy, the Line has not been used to provide local rail service for over two years, and there is no current need for rail service. Alloy indicates that there is little prospect of freight traffic being restored because CTM’s legacy freight customers on the Line have disappeared through company closures and property redevelopment. The land use in the area has changed from industrial to high-tech/research and development and office, and is slated to further accommodate retail/residential land uses. Alloy states that the Line is in disrepair and vegetation has grown around key structures, including a swing bridge that is necessary to use the Line. Alloy also indicates that removal of the tracks would improve public safety. Because the Line currently runs through city streets, it impedes traffic and creates risk of injury to pedestrians.

ENVIRONMENTAL REVIEW

Alloy submitted an environmental report that concludes the quality of the human environment will not be affected significantly as a result of the abandonment or any post-abandonment activities, including salvage and disposition of the right-of-way. Applicants served the environmental report on a number of appropriate federal, state, and local agencies as required by the Board's environmental rules [49 CFR § 1105.7(b)].¹ The Board's Office of Environmental Analysis (OEA) has reviewed and investigated the record in this proceeding.

Diversion of Traffic

According to Alloy, no local freight has moved over the Line since January 2015. Because there has been no traffic moving on the line for several years, the proposed abandonment would not adversely impact the development, use and transportation of energy resources or recyclable commodities; transportation of ozone-depleting materials; or result in the diversion of rail traffic to truck traffic that could result in significant impacts to air quality or the local transportation network.

Salvage Activities

Impacts from salvage and disposal of a rail line typically include removal of tracks and ties, removal of ballast, dismantling of any bridges or other structures that may be present on the rail right-of-way, and regrading of the right-of-way. Salvage may be performed within the right-of-way, or, if necessary, via the construction of new access points to the right-of-way.

The Illinois Department of Natural Resources, Coastal Management Program commented that rail line abandonments are not listed in the Illinois Coastal Management Program Plan (ICMP) as an activity that would affect any land or water use or natural resource of the coastal zone. Therefore, an ICMP Federal Consistency Determination is not required.

The Illinois Environmental Protection Agency (Illinois EPA) commented that it had no objections to the proposed abandonment. However, Illinois EPA also indicated that if one or more acres of land are disturbed as a result of the proposed abandonment, a construction site activity stormwater National Pollutant Discharge Elimination System (NPDES) permit would be required.

The U.S. Fish and Wildlife Service (USFWS), Chicago Field Office commented that it had no concerns about impacts to federally listed species in the area of the proposed abandonment or within the immediate vicinity. Accordingly, no further review under the Endangered Species Act is required.

¹ The railroad's environmental and historic reports are available for viewing on the Board's website at www.stb.gov by going to "E-Library," selecting "Filings," and then conducting a search for AB 1258.

The National Geodetic Survey (NGS) commented that two geodetic survey markers are located within the area of the proposed abandonment. Accordingly, OEA recommends that a condition be imposed on any decision granting abandonment authority requiring Alloy to consult with NGS and notify NGS at least 90 days prior to beginning salvage activities that will disturb or destroy any geodetic station markers.

The City of Chicago (City) submitted a comment stating that it supports the adverse abandonment application filed by Alloy. The City indicated that the proposed abandonment is consistent with its current land use plans and that freight rail service is no longer needed to support current businesses or the corridor's future.

OEA believes that any air emissions associated with abandonment activities would be temporary and would not have a significant impact on air quality. Noise associated with abandonment activities would also be temporary and should not have a significant impact on the area surrounding the proposed abandonment.

Based on all information available to date, OEA does not believe that abandonment activities would cause significant environmental impacts.

HISTORIC REVIEW

Alloy served the Historic Report on the Illinois Historic Preservation Agency (State Historic Preservation Office or SHPO), pursuant to 49 C.F.R. § 1105.8(c). The SHPO commented that the swing bridge, constructed in 1899, is eligible for listing on the National Register of Historic Places (National Register). Therefore, SHPO determined that the proposed abandonment would lead to demolition of the bridge which constitutes an adverse effect under 36 C.F.R. § 800.5. Accordingly, OEA is recommending a condition requiring Alloy and CTM to take no steps to alter the historic integrity of all historic properties including sites, buildings, structures and objects (including track and track material) within the project right-of-way (the Area of Potential Effect or APE) eligible for listing or listed in the National Register of Historic Places until completion of the Section 106 process. Guidance regarding the Board's historic preservation review process is available on the Board's website at <http://www.stb.gov/stb/environment/preservation.html>.

Pursuant to 36 C.F.R. § 800.2, OEA conducted a search of the National Native American Graves Protection and Repatriation Act, Online Native American Consultation Database and the U.S. Department of Housing and Urban Development, Tribal Directory Assessment Tool,² to identify federally recognized tribes which may have ancestral connections to the project area. The search indicated that the Citizen Potawatomi Nation of Oklahoma, the Forest County Potawatomi Community of Wisconsin, the Hannahville Indian Community of Michigan, the

² U.S. National NAGPRA Program (<https://grantsdev.cr.nps.gov/Nagpra/NACD/>); U.S. Department of Housing and Urban Development (<https://egis.hud.gov/tdat>).

Prairie Band of Potawatomi Nation (previously listed as Prairie Band of Potawatomi Nation, Kansas), the Kickapoo Tribe of Oklahoma, the Little Traverse Bay Bands of Odawa Indians of Michigan, the Menominee Indian Tribe of Wisconsin, and the Miami Tribe of Oklahoma may have knowledge regarding properties of traditional religious and cultural significance within the right-of-way (the APE) of the proposed abandonment. Accordingly, OEA is sending a copy of this EA to these tribes for their review and comment.

CONDITIONS

OEA recommends that the following conditions be imposed on any decision granting abandonment authority:

1. Alloy Property Company, LLC (Alloy) and the Chicago Terminal Railroad (CTM) shall retain its interest in and take no steps to alter the historic integrity of all sites, buildings, structures, and objects within the project right-of-way that are eligible for listing or listed in the National Register of Historic Places (generally, 50 years old or older) until the Section 106 process of the National Historic Preservation Act, 54 U.S.C. § 306108, has been completed. Alloy and CTM shall report back to the Office of Environmental Analysis regarding any consultations with the State Historic Preservation Officer, any other Section 106 consulting parties, and the public. Alloy and CTM may not file its consummation notice or initiate any salvage activities related to abandonment (including removal of tracks and ties) until the Section 106 process has been completed and the Board has removed this condition.
2. Alloy Property Company, LLC shall consult with the National Geodetic Survey (NGS) and notify NGS at least 90 days prior to beginning salvage activities that will disturb or destroy any geodetic station markers.

CONCLUSIONS

Based on the information provided from all sources to date, OEA concludes that, if the recommended conditions are imposed, abandonment of the Line will not significantly affect the quality of the human environment. Therefore, the environmental impact statement process is unnecessary.

Alternatives to the proposed abandonment would include denial (and therefore no change in operations), discontinuance of service without abandonment, and continued operation by another operator. In any of these cases, the existing quality of the human environment and energy consumption should not be affected.

TRAILS USE

A request for a certificate of interim trail use (CITU) is due to the Board, with a copy to the railroad/applicant, within 10 days of the notice's publication in the Federal Register. Nevertheless, the Board will accept late-filed requests as long as it retains jurisdiction to do so in a particular case. This request must comply with the Board's rules for use of rights-of-way as trails (49 C.F.R. § 1152.29) and should address whether the issuance of a certificate of interim trail use in this case would be consistent with the grant of an adverse abandonment application.

PUBLIC ASSISTANCE

The Board's Office of Public Assistance, Governmental Affairs, and Compliance (OPAGAC) responds to questions regarding interim trail use, public use, and other reuse alternatives. You may contact OPAGAC directly at (202) 245-0238, or mail inquiries to Surface Transportation Board, Office of Public Assistance, Governmental Affairs, and Compliance, Washington, DC 20423.

COMMENTS

If you wish to file comments regarding this Environmental Assessment, send an **original and two copies** to Surface Transportation Board, Case Control Unit, Washington, DC 20423, to the attention of Danielle Gosselin, who prepared this Environmental Assessment. Environmental comments may also be filed electronically on the Board's web site, www.stb.gov, by clicking on the "E-FILING" link. **Please refer to Docket No. AB 1258 in all correspondence, including e-filings, addressed to the Board.** If you have any questions regarding this Environmental Assessment, please contact Danielle Gosselin, the environmental contact for this case, by phone at (202) 245-0300, fax at (202) 245-0454, or e-mail at danielle.gosselin@stb.gov.

Date made available to the public: November 13, 2017.

Comment due date: December 11, 2017.

By the Board, Victoria Rutson, Director, Office of Environmental Analysis.

Attachment

