

Goldstein, Jamie (jgoldstein@ci.capitola.ca.us)

From: Goldstein, Jamie (jgoldstein@ci.capitola.ca.us)
Sent: Tuesday, February 25, 2025 7:18 PM
To: Sarah Christensen
Subject: Re: Coastal Rail Trail Seg 10-11 Project - Next Steps

Thank you Sarah. As I mentioned in the email below, the proposed timeline appears rushed and will not work for the City Council. Therefore the City cannot host the event.

Because there is already confusion about this challenging project and the City's request for a Town Hall meeting with further lead time for noticing and information-sharing, I'm concerned that the City sharing information about the meeting could just lead to further confusion.

I'll try giving you a call tomorrow morning to check in.

From: Sarah Christensen <schristensen@sccrtc.org>
Sent: Monday, February 24, 2025 8:25 PM
To: Goldstein, Jamie (jgoldstein@ci.capitola.ca.us) <jgoldstein@ci.capitola.ca.us>
Cc: Kahn, Jessica <jkahn@ci.capitola.ca.us>; Regional Transportation Commission <info@sccrtc.org>
Subject: [PDF] RE: Coastal Rail Trail Seg 10-11 Project - Next Steps

Jamie,

Attached is a letter responding to the City's request. Please let me know if you have any questions.

Thank you,
Sarah Christensen, P.E., Executive Director
[Santa Cruz County Regional Transportation Commission](#)

*SCCRTC develops and delivers transportation solutions
for a vibrant, sustainable, and equitable community*

From: Goldstein, Jamie (jgoldstein@ci.capitola.ca.us) <jgoldstein@ci.capitola.ca.us>
Sent: Thursday, February 20, 2025 7:40 PM
To: Sarah Christensen <schristensen@sccrtc.org>
Cc: Kahn, Jessica <jkahn@ci.capitola.ca.us>
Subject: Re: Coastal Rail Trail Seg 10-11 Project - Next Steps

Sarah

Thank you for the update and for your team's efforts in advancing the Coastal Rail Trail project.

Given the significant challenges associated with the proposed project—including conflicts between the Coastal Trail alignment and the Zero Emission Rail Project, known circulation issues in Capitola Village, and other concerns raised at the February 13 Capitola City Council meeting—as well as the message to the public during that meeting that substantial data collection and public notice is required before hosting a community town hall, the proposed timeline outlined in your email appears rushed and will not work for the City Council.

The City requests that RTC provide the following information before the City places an item seeking a decision regarding the Park Avenue trail alignment on a future Council agenda:

1. A plan for the Coastal Trail to be located on the Capitola Trestle, along with a plan to implement it within a defined timeline.
2. A comprehensive plan for the Coastal Rail Trail Segments 10 and 11 through the entire City of Capitola.

We appreciate the resources being dedicated to informing the Council and community. However, given the outstanding data needs, we believe it is premature to proceed with the proposed timeline. We look forward to working together to develop a path forward.

Jamie Goldstein, City Manager
City of Capitola
831.475.7300

From: Sarah Christensen <schristensen@scrtc.org>
Sent: Tuesday, February 18, 2025 3:14 PM
To: Goldstein, Jamie (jgoldstein@ci.capitola.ca.us) <jgoldstein@ci.capitola.ca.us>
Subject: RE: Coastal Rail Trail Seg 10-11 Project - Next Steps

Jamie

Per our conversation, the project team needs Capitola City Council to make a decision at their March 13 meeting.

Thank you,
Sarah Christensen, P.E., Executive Director
[Santa Cruz County Regional Transportation Commission](#)

*SCCRTC develops and delivers transportation solutions
for a vibrant, sustainable, and equitable community*

From: Sarah Christensen
Sent: Tuesday, February 18, 2025 11:27 AM
To: Jamie Goldstein <jgoldstein@ci.capitola.ca.us>
Subject: Coastal Rail Trail Seg 10-11 Project - Next Steps

Jaime

As a follow up to last week's City Council meeting, the project team has met to review the schedule as it relates to incorporating design changes for the Park Avenue alignment. It is important for the project team to move forward with project development activities in order to meet the funding deadlines for the project. Below is our proposed plan:

1. March 4 – Town Hall in Capitola – we plan to have stations around the room with various topics in an effort to satisfy Council's request for information, given the various moving parts of the trail and rail projects. Topics include the Coastal Rail Trail Seg 10-11 Project, Zero Emission Passenger Rail & Trail Project, and Capitola Trestle. Please let us know if there are other topics of interest that you'd specifically like to see ASAP as we are mobilizing significant resources to respond to Council's request.

2. March 13 – City of Capitola Council Meeting – summary of information presented at the March 4 Town Hall, summary of input received from the community, and present a staff recommendation or options (pending town hall outcome).
3. March 20 – RTC meeting to approve funding for additional design and analysis related to the Park Ave alignment, pending outcome of March 13 City Council meeting.
4. March 25 – County of Santa Cruz BOS meeting to approve contract amendment, pending outcome of funding approval by RTC on March 20, so that County can move forward on the project design.

Unfortunately at this point in time, major policy changes such as abandoning the freight easement to build an interim trail is not advised within the funding deadlines for the Coastal Rail Trail Seg 10-11 project under development. This type of policy shift would not be at the discretion of the Capitola City Council, although if Council wanted to make a statement to the Commission they are free to do so. In other words, if Council has a strong desire for the interim trail, it is too late to accomplish that for Coastal Rail Trail Segments 10-11 (due to its funding deadlines) and County/RTC staff are going to do everything within our control to manage the project risk and successfully deliver this project so that our region does not lose the grant funds. If at the end of the day the City does not want a facility along Park Avenue there is a possibility that this portion of the project could be removed from the project scope.

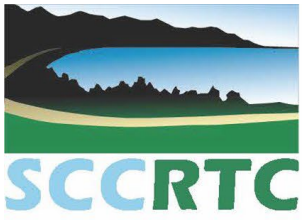
Please let me know if you have any questions or concerns about the above approach. I am generally available today and tomorrow.

Thank you,

Sarah Christensen, P.E., Executive Director

[Santa Cruz County Regional Transportation Commission](#)

*SCCRTC develops and delivers transportation solutions
for a vibrant, sustainable, and equitable community*



February 24, 2025

Jamie Goldstein
City Manager
City of Capitola
420 Capitola Avenue
Capitola, CA 95010

RE: RTC Response to City of Capitola Regarding CRT Seg 10-11 Project Development

Dear Mr. Goldstein,

Thank you for your email dated February 21, 2025, regarding the Coastal Rail Trail Segments 10 and 11 project. We appreciate your thoughtful feedback and the City of Capitola's continued engagement in advancing this important 4.2 mile trail project along the Santa Cruz Branch Rail Line between 17th Avenue in Live Oak, traversing the length of the City of Capitola, to State Park Drive in Aptos. Prior to the February 13th City Council meeting presentation, the SCCRTC, in partnership with the County of Santa Cruz and Capitola staff, have presented the Coastal Rail Trail and Passenger Rail projects to City Council to share the conceptual design of improvements through Capitola, including options for the Capitola Trestle. We welcome the continuing dialogue as we work toward implementing transportation services along the branch line. For reference, Attachment 1 to this letter includes a chronology of the recent SCCRTC and partner agency presentations to the Capitola City Council outlining the various transportation improvements proposed along the Santa Cruz Branch Rail Line.

We fully understand and acknowledge the City Council's request for more time and community engagement before moving forward with decisions on the Coastal Rail Trail alignment. We also recognize the importance of taking the necessary time to ensure that all stakeholder concerns are addressed in a thoughtful and transparent manner. Regarding the requests outlined in your letter:

Plan for the Coastal Rail Trail along the Capitola Trestle

As the RTC has described at previous City Council meetings, converting the Capitola Trestle to a trail would be contingent on a complex process to the abandonment of the freight easement, which is subject to approval by a federal agency, the Surface Transportation Board (STB). To begin this process, the common carrier of the branch line would need to file for abandonment of the freight easement, which they have indicated to the RTC they are not interested in pursuing. It is possible that an outside entity, such as the RTC, can file for adverse abandonment of the freight easement, but that has yet to take place. If either scenario occurs, the timing and duration of an abandonment process is uncertain. While abandoning the freight easement is not entirely infeasible, SCCRTC staff anticipates this process could take time and may present challenges and cause delay if opposed.

Given the uncertainty and potential opposition associated with abandoning the freight easement, *staff considers such an action infeasible in the short term*, especially within the funding deadlines associated with the Coastal Rail Trail project under development, most notably the state's \$67 million Active Transportation Program grant.

Should abandonment of the freight easement succeed and allow for conversion of the Capitola Trestle to trail use in the future, additional funding would be required to implement this improvement as outlined in the RTC's [Repurposing Conceptual Study](#) which estimated to be at least \$7 million in 2021 dollars. We are committed to working with the City of Capitola to explore viable alternatives and plan for the long-term development of the Coastal Rail Trail across Soquel Creek, however given the constraints noted above, a solution to construct a trail along the Capitola Trestle is considered a long-term process that is not achievable within the funding deadlines of the Coastal Rail Trail Segments 10 and 11 project. For reference, [Attachments 2 & 3](#) are Frequently Asked Questions SCCRTC have developed regarding the Capitola Trestle and Railbanking.

Comprehensive Plan for Segments 10 and 11 through Capitola

The County of Santa Cruz and SCCRTC are planning to host a town hall on March 4 to provide additional information to the community and City Council regarding (1) alignment, design, and funding of the Coastal Rail Trail

project; and (2) the Zero Emission Passenger Rail and Trail concept development that is underway, which includes replacement of the Capitola Trestle railroad bridge with a facility that can serve both rail & trail. We request your support and partnership to host the meeting and get the word out, and are hopeful that this engagement opportunity will help to address outstanding questions and provide the necessary data for informed decision-making by City Council.

While we are aware of the concerns regarding the project's timing, we want to emphasize that this project is heavily dependent on meeting the funding deadlines associated with the \$67 million Active Transportation Program grant awarded to the trail project. Subsequent to the town hall, at the upcoming March 13 City Council meeting, we hope to present what we heard at the town hall, recommend a path forward for trail options, and receive direction from the City Council. This milestone is critical in maintaining the momentum needed to stay on schedule. Any delay to this process puts the trail project's funding at risk.

We are fully committed to collaborating with the City of Capitola to develop a solution that aligns with the City's priorities and ensures that the Coastal Rail Trail is designed in a way that best serves the community, while balancing project delivery risk. We are grateful for the opportunity to work together, and we look forward to the upcoming town hall and to continuing the dialogue at the March 13 City Council meeting.

Please do not hesitate to reach out if you require further clarification or additional information. Thank you for your partnership and your continued dedication to this vital project.

Sincerely,

A handwritten signature in black ink, appearing to read 'Sarah E Christensen', with a stylized, flowing script.

Sarah E Christensen, Executive Director
Santa Cruz County Regional Transportation Commission

cc: info@sccrtc.org



Attachment 1

**Chronology of Recent SCCRTC Presentations to Capitola City Council for
Transportation Projects along the Branch Line**

May 27, 2021	The RTC staff presented regional projects to the City Council including the Coastal Rail Trail projects under development and the SCCRTC-led Capitola Trestle repurposing study that concluded in the fall of 2021.
March 23, 2023	County and RTC staff presented an overview of the design of Coastal Rail Trail Segments 10 and 11 project through the City of Capitola, including a description of plans for the Capitola Trestle, and noted that a trail on the Trestle is excluded under the Ultimate Trail configuration.
October 26, 2023	County and RTC staff presented a second design overview of the project, and responded to City staff's request for details about why a trail on the Capitola Trestle was not included as part of the Ultimate Trail Configuration or the County's ATP grant application, as well as a request for details on the planned improvements to route trail users through Capitola Village.
March 23, 2023	RTC staff presented the Zero Emission Passenger Rail and Trail project, including future rail and trail improvements for the Capitola Trestle.
February 8, 2024	RTC staff presented the Zero Emission Passenger Rail & Trail (ZEPRT) Project, with the scope of work including replacement of the Capitola Trestle railroad bridge with a facility that can serve both rail & trail, and requested input on the preliminary Purpose & Need statement for the project.
February 13, 2025	The project team including City, County, and RTC staff presented the Park Avenue Traffic Calming Improvements with Coastal Rail Trail Segment 10-11 Project options. The City staff recommendation was for the City Council to review options for Coastal Rail Trail improvements in the Park Avenue right-of-way and identify Option A (as described in the staff report) as the preferred alternative for further analysis. Action was not taken by the Capitola City Council.



Capitola Trestle on the Santa Cruz Branch Rail Line

Background

The Santa Cruz Regional Transportation Commission (RTC) owns the Santa Cruz Branch Rail Line. The rail line is a freight rail line in need of structural repairs on several bridges, including the Capitola Trestle. The RTC, in partnership with local jurisdictions, is pursuing development of a dedicated bicycle and pedestrian facility, referred to as the Coastal Rail Trail, within the rail right-of-way. The RTC is also pursuing development of passenger rail within the rail right-of-way as part of the Zero Emission Passenger Rail and Trail project.

The Capitola Trestle complex is comprised of 5 individual, but connected, bridges, each made of different materials. The Capitola Trestle provides an elevated rail crossing of Soquel Creek, Wharf Road, Riverview Avenue, and Capitola Avenue. Repairs to the Capitola Trestle complex are needed before the bridge is viable for freight or passenger service.

FAQS

Can a bicycle and pedestrian bridge be attached to the existing Capitola Trestle to provide bicycles and pedestrians access across Soquel Creek within the rail line right-of-way?

A bicycle and pedestrian bridge cannot be attached to the existing Capitola Trestle. The Capitola Trestle complex is made up of 5 bridges including two concrete spans, two multi-span open deck timber trestles, and an open deck wrought iron bridge that spans Soquel Creek. The wrought iron bridge and timber trestles do not have a location suitable to connect a cantilevered bicycle and pedestrian bridge and do not have adequate structural capacity to support the added weight. Therefore, a bicycle and pedestrian bridge, like the one cantilevered from the San Lorenzo River Trestle, is not feasible on the Capitola Trestle complex.

Can a separate bicycle and pedestrian bridge be constructed across Soquel Creek within the rail line right-of-way?

The rail right-of-way in the area of the Capitola Trestle complex is constrained. Constructing a stand-alone bicycle and pedestrian bridge next to the existing Capitola Trestle and within the rail right-of-way may not be feasible and would require significant engineering. Due to this space constraint, the engineering challenges of constructing a bridge spanning Soquel Creek, and the cost of constructing a new bridge (trail or rail bridge) over Soquel Creek, staff is recommending that a bicycle and pedestrian trail bridge be combined with replacement of a

new Capitola Trestle complex. The Zero Emission Passenger Rail and Trail Project Concept Report will evaluate the feasibility and cost of a combined rail and trail bridge to replace the Capitola Trestle complex. To date, no cost estimate has been developed for a new combined rail and trail bridge to replace the current Capitola Trestle complex.

Can the Capitola Trestle bicycle and pedestrian trail be constructed on the existing Capitola Trestle?

The 2021 Capitola Railroad Bridge Repurposing Conceptual Study analyzed the feasibility of converting the Capitola Trestle from a rail bridge to a bicycle and pedestrian trail bridge. The Study determined that, from a constructability and engineering standpoint, the Capitola Trestle could be repurposed into a bicycle and pedestrian bridge if required structural repairs are completed, including the replacement of the wrought iron bearings, all the timber bracing, and 30-40% of the timber piles. After structural repairs are completed, the existing rails, decking, and ballast could be removed and replaced with a steel and fiber reinforced polymer deck system similar to that used on the San Lorenzo trail bridge. The study estimated that repair and repurposing of the bridge would cost approximately \$7 million in 2021 dollars.

What are the regulatory requirements to allow the repurposing of the Capitola Trestle to a bicycle and pedestrian bridge?

In order to be able to repurpose the Capitola Trestle to a bicycle and pedestrian bridge, the rail line would

either need to go through the regulatory process administered by the federal Surface Transportation Board (STB) to be abandoned or railbanked. STB regulations designate a common carrier who has the obligation to provide freight rail service to potential customers. To remove the obligation, a freight railroad would need to apply to the STB for abandonment based on the lack of freight service and the high cost of repairs. Abandonment is not desired by the RTC since any right-of-way owned by easement and not fee title would revert to the underlying property owners. Railbanking is a method by which freight rail lines proposed for abandonment can be preserved for future freight rail use through interim conversion to trail use and other uses. If railbanked, the rail and ties could be removed, and the right-of-way would be preserved for potential re-activation of freight and other potential rail service.

How can the Santa Cruz Branch Rail Line be railbanked to allow for repurposing of the Capitola Trestle to a bicycle and pedestrian bridge?

To abandon and railbank the Santa Cruz Branch Rail Line, the freight operator would need to file for direct abandonment with the Surface Transportation Board (STB) or an interested party could file for adverse abandonment. The RTC would need to both file a petition with the STB to enter into railbanking negotiations, and subsequently enter into a railbank agreement with the freight operator. The RTC would need to assume financial liability for preserving the rail line. Railbanking by means of a direct abandonment proceeding can be streamlined when there is no opposition. Another freight operator can make an Offer of Financial Assistance (OFA) to maintain the line and assume the legal obligation to provide freight service. A freight rail customer or the owner of a potential stranded line would have grounds to object to abandonment and railbanking. The STB will not refuse to issue a railbanking order based on third-party objections about the desirability or appropriateness of the proposed use. The best path to railbanking is to have the mutual support of all affected parties, including the freight operator, affected freight customers, and owners of potential stranded lines.

What other steps are required to develop an interim trail on the Capitola Trestle?

In addition to railbanking, several steps need to occur to develop an interim trail on the Capitola Trestle, including environmental review, design, permitting and securing funding. The Coastal Rail Trail Segment

10 & 11 Project environmental review under the California Environmental Quality Act (CEQA) will include evaluation of the Ultimate Trail Configuration (Trail next to Rail Line) and an optional Interim Trail (Trail on the Rail Line) and both are part of the Proposed Project. In addition, the Ultimate Trail Configuration includes a design option that would provide environmental clearance under CEQA for an Interim Trail on the Capitola Trestle as part of the Ultimate Trail Configuration to maximize flexibility. Therefore, an interim trail project on the Capitola Trestle will be environmentally cleared under CEQA as part of the proposed Coastal Rail Trail Segment 10 & 11 environmental review, should the County of Santa Cruz certify the Segment 10 & 11 Final Environmental Impact Report. Once the interim trail is environmentally cleared, the project could enter the project design phase, should funding be available.

Is there funding for construction of an interim trail on the Capitola Trestle?

There is not approved funding for repurposing the Capitola Trestle for an interim trail. The County of Santa Cruz, in coordination with the RTC and City of Capitola, are developing the Coastal Rail Trail Segments 10 & 11 project, which extends from 17th Avenue to State Park Drive in the unincorporated area of the County of Santa Cruz. A combination of local, state and federal funding is dedicated to construction of Segment 10 & 11 for the Ultimate Trail Configuration (Trail next to Rail Line). The current funded project does not include funding for development of a trail across the Capitola Trestle.

What does the Coastal Rail Trail Segment 10 & 11 funded project include for Capitola Village?

The Coastal Rail Trail Segments 10 & 11 project includes re-striping the existing bike lanes in Capitola Village and enhancing the Class II bike lanes with green thermoplastic striping, and enhancing existing sharrows on Class III roadways with green paint. The project also includes adding signage directing bicyclists and pedestrians through the Village to the Coastal Rail Trail. In addition, a roughly 350-foot-long section of Cliff Drive from the end of the trail to the start of the Cliff Drive sidewalk will be restriped to create a delineated pedestrian walkway and Class II bike lane on the coastal side of the roadway where bicyclists and pedestrians currently have to share the bike lane.



Fact Sheet and Frequently Asked Questions (FAQs)

Railbanking on the Santa Cruz Branch Rail Line

Railbanking is a method by which freight rail lines proposed for abandonment can be preserved for future freight rail use through interim conversion to trail use and other uses.

To preserve the national railroad system, the federal government established railbanking in 1983 through the National Trails System Act (Rails to Trails Act). The Rails to Trails Act provides an alternative to completely abandoning a railroad right-of-way by allowing a railroad to negotiate a trail use agreement with a prospective trail sponsor. The prospective trail sponsor must be willing to assume financial liability to preserve the rail line for future re-activation to freight rail use.

Most people associate railbanking with projects that remove the rails and repurpose infrastructure for a multi-use trail. When a railroad owns easements, the same property rights issues exist, regardless as to whether the trail replaces the rail or is built adjacent to the rail. Underlying landowners of rail easements can claim that rail easements do not include a trail, whether the rail is removed or not. However, if the corridor is railbanked, a trail can be built either adjacent to or in place of the rail line. In either case, freight railroad easements would be protected from reverting to underlying property owners.

Decisions as to where to build the trail and whether and when to pursue commuter rail is separate from railbanking. Railbanking does not require the rail to be removed. Under railbanking, the RTC can proceed with constructing either a rail-with-trail or a rail-to-trail project. The RTC has not taken any action to railbank the Santa Cruz Branch Rail Line.

FAQs

Q1: What does it mean to abandon a rail line or portion of a rail line?

Abandonment of a rail line or portion of a rail line is a process through which railroads remove a rail line or portion of a rail line from the national freight rail network and jurisdiction of the Surface Transportation Board (STB) and eliminate the railroad's obligation to provide freight service over and along the rail line. After abandonment, any property where a railroad only owned an easement for rail purposes would revert to the underlying property owner.

Q2: What are the four transportation uses being considered for the Santa Cruz Branch Rail Line?

The branch line is part of the national freight rail network and has historically provided two uses, freight rail service and recreational (excursion) passenger rail service. The third proposed use is a multi-use active transportation (bicycle and pedestrian) trail along the full length of the right of way. Commuter passenger rail service between Pajaro and Santa Cruz is the fourth proposed use.

Q3: Is railbanking different from abandonment?

Yes. Although part of the abandonment process, railbanking stops short of abandonment.

Q4: Does railbanking only facilitate building trails?

No, railbanking would facilitate both implementation of commuter passenger rail service and any configuration of a trail on the branch line.

Q5: If railbanking makes light rail on the branch line easier, what is being banked?

The right-of-way would be “banked” for potential re-activation of freight rail service.

Q6: How would railbanking make it easier to implement commuter light rail?

The infrastructure and space needed to accommodate heavy freight rail and light commuter rail are different. Less infrastructure and space would be needed to implement light rail if the right-of-way is railbanked for freight. Scheduling and operations are also easier with only one type of rail on a line.

Q7: If the branch line were railbanked for potential freight re-activation, would any work on the line need to accommodate freight requirements?

No. Work on the line, including work for commuter rail and/or a trail would not need to be designed for freight rail standards; however, work must be done in a manner that does not jeopardize the integrity of the rail line for potential freight re-activation.

Q8: Who would be responsible for the cost of future freight re-activation?

This will depend in part on the terms of the interim trail use agreement that is negotiated, but generally, the freight rail operator who applies for re-activation would be responsible for the cost of re-purposing the corridor back for freight operations.

Q9: Would railbanking make it easier for RTC to implement a trail adjacent to the rail line?

Yes. Railbanking would allow the use of any easements that might be restricted to only rail to be expanded to include a trail adjacent to the rail line. The RTC would not need to acquire any additional property rights and would not need to construct the trail to meet freight rail requirements.

Q10: If the corridor is railbanked, could the RTC remove the rail and build an interim trail?

Yes, but removing the rail is not required.

Q11: Why is a trail in place of the rail referred to as an interim trail?

Since railbanking would be preserving the rail line for future re-activation of freight rail, any trail built on the existing rail alignment would likely need to be moved (or removed) if freight rail were reactivated.

Q12: If the corridor is railbanked, would the RTC be required to remove the rail and construct a trail in its place?

No. Railbanking only requires the trail manager to preserve the right of way for future freight re-activation. The rail can remain in place. A trail is only an option and is not required.

Q13: Why is the RTC discussing railbanking now?

The RTC's contract freight operator, Saint Paul and Pacific Railroad (SPPR) submitted a notice of intent to terminate its agreement with the RTC and a notice of intent to abandon the line. Although SPPR has subsequently withdrawn the notice of intent to abandon the line, SPPR indicated that they reserve the right to file for abandonment at any time.

Q14: If the branch line is not railbanked, could a trail still be built on the rail line?

Yes, but the trail would need to be located adjacent to the rail line. Additional property rights would need to be obtained at locations where the RTC determines there are insufficient rights to build the trail, such as easements for rail purposes. If those property rights cannot be acquired, then those sections of the trail would need to be diverted off the SCBRL right-of-way and onto local streets.

Q15: What is the status of freight on the branch line?

There are about a half dozen active freight rail customers in Watsonville. There are no active customers north of Watsonville. The authorized freight operator (SPPR) has contracted with a local operator (Roaring Camp) to provide freight service to existing customers, but SPPR has indicated that they would still like to terminate its agreement with the RTC.

Q16: What needs to happen for the RTC to railbank the branch line?

Ideally, the freight operator (SPPR) would file for direct abandonment with the Surface Transportation Board (STB). The RTC would need to both file a petition with the STB to enter into railbanking negotiations, and subsequently enter into a railbank agreement with the freight operator. The RTC would need to assume financial liability for preserving the rail line. Railbanking by means of a direct abandonment proceeding can be streamlined when there is not opposition.

Another approach would be for a third party, such as the RTC, to petition the STB for an adverse abandonment. Adverse abandonment is more complicated and comes with a heavier burden to demonstrate that the public convenience and necessity require that the operator's common carrier obligations be extinguished. Adverse abandonment is not preferred.

Q17: Who might be able to prevent the branch line from being railbanked?

Another freight operator can make an Offer Financial Assistance (OFA) to maintain the line and assume the legal obligation to provide freight service. A freight rail customer or the owner of a potential stranded line would have grounds to object to abandonment and railbanking. The STB will not refuse to issue a railbanking order based on third-party objections about the desirability or appropriateness of the proposed use.

The best path to railbanking is to have the mutual support of all affected parties, including the freight operator, affected freight customers, and owners of potential stranded lines.

Q18: Can only a portion of a rail line be railbanked?

Yes. A portion of a rail line can be railbanked.