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October 7, 2022

Mr. Martin J. Oberman
Chairman
Surface Transportation Board
395 E Street SW
Washington, DC 20423

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Dear Chairman Oberman,

I am pleased to provide this comment regarding the proposed merger of Canadian Pacific (CP) and Kansas City Southern (KCS). FD 36500.

While this merger would be a great deal for the new railroad and the state of Missouri, it would be a terrible deal for Minnesota. According to the Star Tribune (11/5/21), CP has announced that 135 headquarters jobs and 72 local dispatcher/clerical jobs will shift to Kansas City.

The merger would drain millions of dollars in annual wages out of our state. It would also be a significant blow to downtown Minneapolis, which is still struggling to recover from the pandemic. **The removal of jobs from our downtown is the last thing we need.**

In order to get support for their merger from Minnesota and the STB, CP must be asked to mitigate the harm their merger will cause to our state. This mitigation should include public ownership (or shared ownership) of the following idle or under-producing CP rights-of-way:

- The Midtown Greenway Extension Spur, a 2.6-mile east-west pathway connecting the Midtown Greenway trail over the Mississippi river to Saint Paul, via CP's Short Line Bridge. This Midtown Greenway Extension would be the key link in a transformative trail/transit network and become the best inter-city bikeway in the nation. **THIS SPUR COULD BE SHARED with CP.** The bridge only has one track on it – the other side of the bridge has been vacant and unused for years. **A new bike/ped trail could be placed on the vacant side of the bridge, and the one train per day could continue to operate on the other side.** (We have a study showing how the bridge could be rehabbed safely for this purpose.)
- The Highland Park Spur, an idle 3.5-mile right of way in St. Paul's West End and Highland Park districts that served the Ford assembly plant. It has significant public utility due to its neighborhood connectivity and proximity to MSP airport and the Mississippi River. This spur has enough space for both a bike trail AND a streetcar line and should be preserved immediately for such public use.

- The Hiawatha Industrial Spur, a 2.6-mile freight corridor running near Hiawatha Avenue between Lake Street and Minnehaha Falls Park in Minneapolis. Rail traffic has dwindled to just one train per day, as trackside flour mills and grain elevators give way to high density residential redevelopment.
- The Paynesville Subdivision/14th St Spur, a rail spur that stretches from the Camden neighborhood in North Minneapolis to the North Loop neighborhood near downtown Minneapolis.

Converting former railroad right-of-ways to bicycle and pedestrian use is hugely beneficial for economic development, public health, and the fight against climate change. The Midtown Greenway trail in Minneapolis is a prime example. This rail trail has become the most well-used commuter trail for walking, bicycling, and rolling in Minnesota. It has generated over \$2 billion in economic development, and generates over \$30 million annually in revenue for the public via property taxes from all of the new condos and apartments built along the trail.

The public utility of these abandoned and/or little used rail spurs is immense. A recent report by our organization estimated that extending the Greenway trail over the river and through Saint Paul would generate an estimated \$3 billion in economic development.

The other rail spurs offer significant public benefits too, including connecting the new Highland Bridge redevelopment to downtown Saint Paul. The Paynesville spur would help increase transit equity and access to/from an underserved community in North Minneapolis.

In the interest of Minnesota, our economy, and our commitment to increasing green transportation to fight climate change, the STB should make its approval of the CP-KCS merger contingent upon:

- Public ownership and control of the CP rights-of-way listed above.
- A joint rail-with-trail usage arrangement over the Short Line Bridge, plus an easement eastward into St. Paul at least to Cleveland Avenue.

Obviously, there would be many issues to address and negotiations that would need to occur between the public and CP to convert these spurs to public use. However, all concerns can be addressed during negotiations with public entities, if CP would join them at the table.

Now is the time for the STB to mitigate the harm that CP will cause by moving jobs out of Minnesota and seize the moment to preserve these pathways for the public good.

Sincerely,



Soren R. Jensen
Executive Director

Cc: All Parties of Record