# STAFF REPORT City Council Business Agenda Item

**DATE:** August 15, 2011

**TO:** Honorable Mayor and City Councilmembers

FROM: Duane V. Rigge, City Manager / Executive Director

SUBJECT: Consider Supporting Efforts to Revitalize the Local Economy by Restoring Rail Service from Humboldt Bay to the National Rail Network and Opposing the Efforts to Railbank the Northcoast Railroad Authority's Right-Of-Way; Adoption of Resolution 2011-31

## **STAFF RECOMMENDATION:**

It is recommended the City Council may wish to provide its support to the efforts to revitalize the local economy by restoring rail service from Humboldt Bay to the National Rail Network and oppose efforts to railbank the Northcoast Railroad Authority's Right-Of-Way through the adoption of Resoultion 2011-31

### **EXECUTIVE SUMMARY:**

A group of local individuals have requested the City Council to consider providing its support to the efforts to restoring rail service from Humboldt Bay to the National Rail Network and oppose efforts to railbank the Northcoast Railroad Authority's right-of-way.

The Northcoast Railroad Authority (NCRA) and the Northwestern Pacific Railroad have recently restored 62 miles of rail service from Shellville near Napa to Windsor; and the NCRA has also approved the Environmental Impact Report for restoration of rail service from Shellville to Willits.

The restoration of rail service from Willits to Humboldt County would provide a key economic engine for revitalizing the local economy and would be essential for developing modern port facilities on Humboldt Bay for the import and export of goods. It is widely recognized that there is a symbiotic relationship between the railroad and the port. There can be no significant port development without a rail connections and that the volume of freight necessary to justify the expenditure of funds for restoring the railroad can only be attained with modern port facilities on Humboldt Bay.

Freight rail transport is the most efficient and environmentally benign method of land transport and restoration of rail service to Humboldt County will enhance economic and national security by providing an alternative point of access for international commerce. With the federal and state treasuries likely to be unavailable to provide full funding, the City Council may wish to add its support and encourage the efforts of private investors' to reestablish some rail connection from the Humboldt Bay region to the national rail network, including the possibility of a rail line from Eureka/Fairhaven east to the Red Bluff area.

Railbanking the rail line from Willits to Eureka could effectively foreclose the use of the rail right-of-way for rail service to the national rail network and prevent a means to revitalize and sustain the local area's economy. Railbanking could create future obstacles for the reestablishment of rail service and many beneficial options that are important for this area. There is little or no evidence presented by railbanking advocates that any "railbanked" right of way more than 50 miles in length has ever been returned to freight rail service.

#### **RECOMMENDED CITY COUNCIL ACTION:**

- 1. Receive staff presentation and review Council questions with staff
- 2. Mayor open the public hearing.
- 3. Motion to close the public hearing. Voice vote.
- 4. Motion to adopt Resolution 2011-31 and read by title only. Roll call vote.

#### Attachments:

• Resolution 2011-31

#### **RESOLUTION 2011-31**

# A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FORTUNA SUPPORTING EFFORTS TO REVITALIZE OUR LOCAL ECONOMY BY RESTORING RAIL SERVICE FROM HUMBOLDT BAY TO THE NATIONAL RAIL NETWORK AND OPPOSING THE EFFORTS TO RAILBANK THE NORTHCOAST RAILROAD AUTHORITY'S RIGHT OF WAY

**WHEREAS**, the Humboldt Bay region is in dire need of decent paying jobs with benefits so that families can be formed and our economy strengthened; and

WHEREAS, the Northcoast Railroad Authority and the Northwestern Pacific Railroad have recently restored 62 miles of rail service from Shellville near Napa to Windsor; and the NCRA has also approved the Environmental Impact Report for restoration of rail service from Shellville to Willits; and

WHEREAS, restoration of rail service from Willits to Humboldt County will provide a key economic engine for revitalizing our local economy and is essential for developing modern port facilities on Humboldt Bay for the import and export of goods; it is widely recognized that there is a symbiotic relationship between the railroad and the port, that there can be no significant port development without a rail connections and that the volume of freight necessary to justify the expenditure of funds for restoring the railroad can only be attained with modern port facilities on Humboldt Bay;

WHEREAS, freight rail transport is the most efficient and environmentally benign method of land transport and restoration of rail service to Humboldt County will enhance economic and national security by providing an alternative point of access for international commerce; and

WHEREAS, with the federal and state treasuries likely to be unavailable to provide full funding, our region, through its elected officials and civic leaders, as well as citizens throughout the county, are encouraged to support and be receptive to private investors' efforts to reestablish some rail connection from the Humboldt Bay region to the national rail network, including the possibility of a rail line from Eureka/Fairhaven east to the Red Bluff area utilizing the 1909 Jess Lentell route and fieldnotes from his reconnoitering;

WHEREAS, railbanking the rail line from Willits to Eureka is unwise and would effectively foreclose forever its use as a means to revitalize the local area's economy; railbanking would create obstacles and eliminate many beneficial options that are important for this area to exercise; further, no evidence has been presented by railbanking advocates that any "railbanked" right of way more than 50 miles in length has ever been returned to freight rail service;

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Fortuna as follows:

**Section 1.** The City of Fortuna supports efforts to revitalize our local economy by restoring rail service from Humboldt Bay to the national rail network be it in the Napa/Lombard/Shellville area or east to the Red Bluff area.

<u>Section 2.</u> The City of Fortuna opposes the efforts to railbank the Northcoast Railroad Authorities right-of-way between Willits and Eureka.

<u>Section 3.</u> The City of Fortuna encourages our elected officials, civic leaders throughout the region, and all citizens of Humboldt County to support and be receptive to efforts to reestablish a rail connection from the Humboldt Bay region to the national rail network.

**PASSED**, APPROVED, AND ADOPTED this 15<sup>th</sup> day of August, 2011 by the following vote:

AYES: NOES: ABSTAIN: ABSENT:

Douglas Strehl, Mayor

ATTEST:

Duane V. Rigge, City Clerk