



Exclusive Negotiating Agreement with South City Ventures LLC

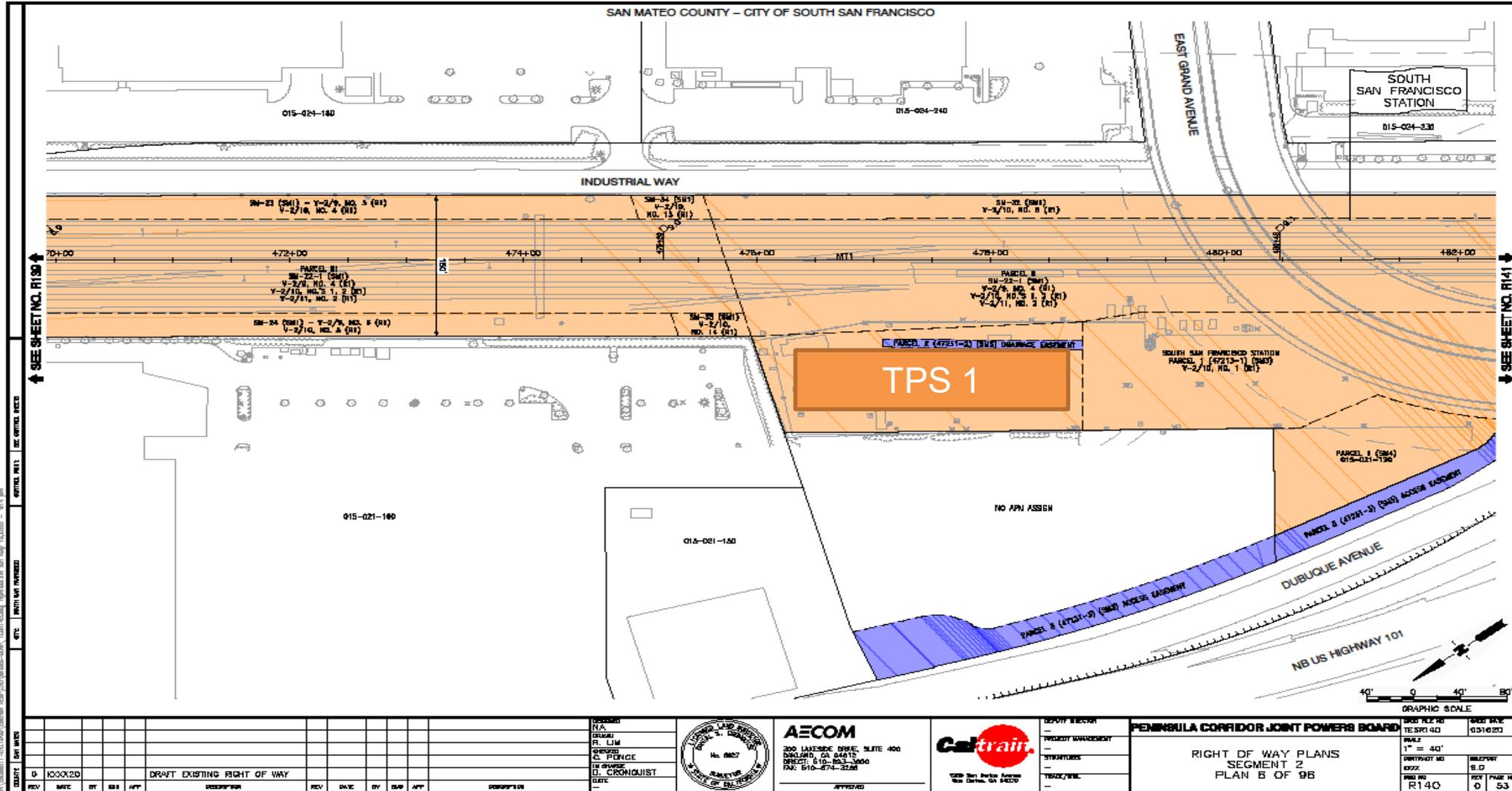
***Item #6
JPB WPLP Committee
April 28, 2021***

Background: South San Francisco Station

- The South San Francisco Caltrain Station was identified a potential opportunity site in the Rail Corridor Use Plan (RCUP)*
- Staff however believes the site is not independently developable:
 - The site is partially under Grand Avenue
 - The site is of irregular shape
 - Access is through a contiguous property owned by South City Ventures LLV (SCV)
 - Tractor Power Station 1 (TPS-1) is built on the northern half of the site
 - TPS-1 is served by two power lines over the site which connect to two approximately 85-foot power poles on site

*Note that formal RCUP review of any potential future station development will be completed at such a time as a long-term ground lease or other disposition agreement is negotiated, to ensure the compatibility of the proposed use with current and potential future rail needs.

MAP: South San Francisco Station



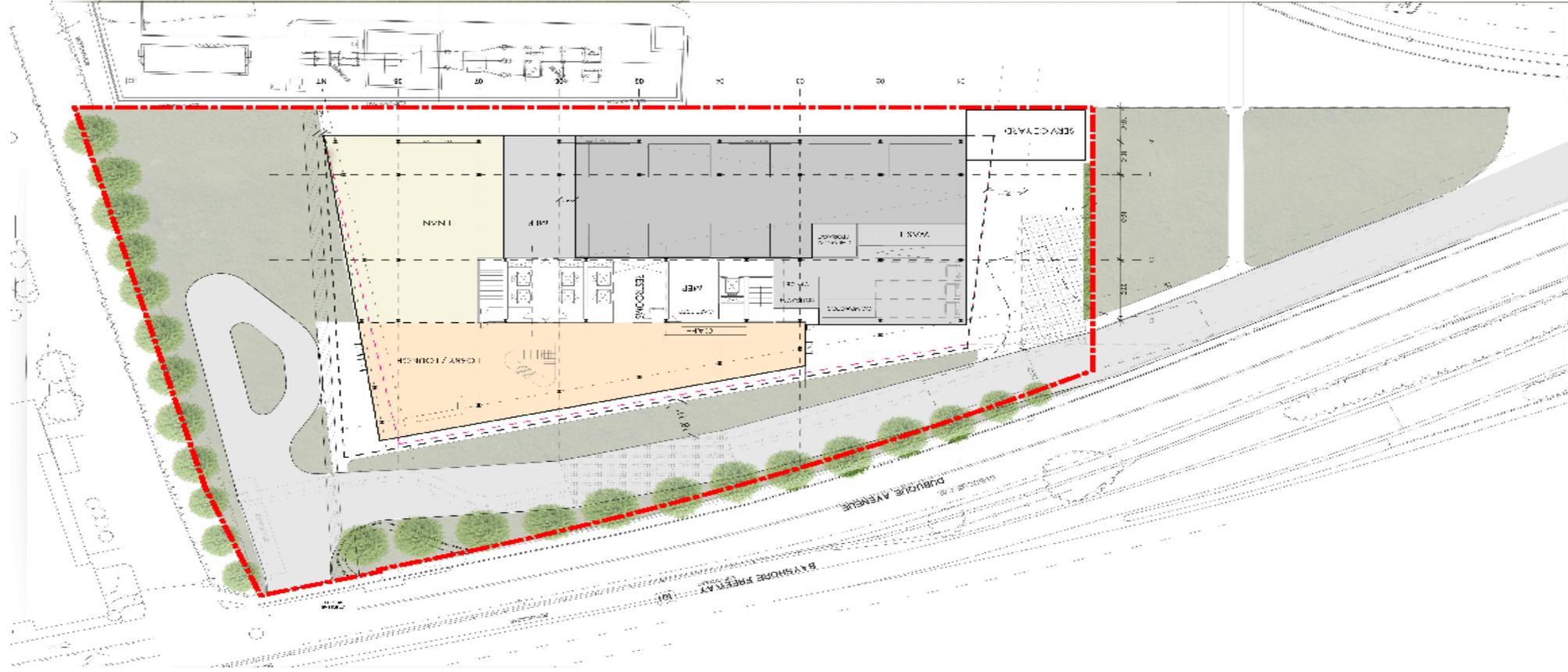
Background: SCV LLC Site

- SCV LLC is in the process of planning for development of approximately 300,000 square feet of biotech lab and office space on the contiguous site
- The proposed development is consistent with the City's R&D / Mixed Use zoning
- SCV LLC has asked if JPB would be willing to explore co-development of the two sites

BENEFITS OF WORKING TOGETHER

- Incorporating the Caltrain property into the SCV LLC site could create:
 - A more efficient site layout
 - Commercial development adjacent that would enhance Caltrain ridership
 - Enhanced station access and multi-modal connectivity
 - Revenue for the Agency
- Because the site is not independently developable, this provides the best opportunity for development; otherwise, the site would likely continue to be undeveloped, and would remain a surface parking lot

MAP: SVC Example Site Plan



TOD POLICY

- JPB favors a request for qualifications process to solicit competitive proposals for development.
- Unsolicited offers may be considered only in special cases to meet specific JPB objectives.
 - For example, if a site is too small, has limited access, or is unable to be developed independently, a competitive process may not be appropriate.

Staff Recommendation

- Enter into a 90-day Exclusive Negotiation Agreement with SCV LLC to explore business terms
 - SVC LLC would pay all agency costs
- Extend the ENA if continued negotiations would prove fruitful
- Direct staff to negotiate a Terms Sheet with SCV LLC which would be subject to final Board approval

Next Steps

- Agency and SCV LLC execute ENA
- Staff to negotiates business terms
- Board considers business terms at a later meeting
- If terms are acceptable, the Board would authorize staff to enter into negotiations for a long-term ground lease