TOD Policy

Citizen Advisory Committee
January 20, 2021
Purpose of the TOD Policy

• Express Agency’s goals and business objectives for joint development on its property

• Outline process and requirements for property disposition

• Identify Agency’s role(s) in promoting TOD in station areas
Background and Context: Use of JPB Property
Background: Caltrain Properties

Caltrain’s property holdings are unique

• Old system that started serving Peninsula in 1863
• Caltrain has a dynamic corridor
• Public agency purchased an existing system
  - ROW purchased by JPB in 1991
  - In 1980s, Southern Pacific already separated development parcels from ROW for Catellus
    » Example: Catellus retained underlying fee in SF Yard
  - The amount of property purchased by the JPB was whittled down to correspond to available funds
Background: Caltrain Properties

Caltrain’s property holdings are unique

• Stations were granted to the JPB by State in 1995
• The JPB’s property holdings are more limited than other transit agencies, such as BART, which was built starting in the 1970s and through early 2000s.
  - BART’s focus on car parking allowed them to purchase substantially more land around stations
Example of Millbrae Station: BART and Caltrain Station Property Holdings
Current Use of JPB Property

- Use of JPB property is principally dedicated to serving the agency’s mission as a rail service provider
- “Railroad Uses” – use of property to support delivery of rail service
  - Infrastructure, equipment, and facilities necessary for delivering rail service, such as tracks, stations, access facilities, grade separations, signals, etc.
  - Railroad uses are not static: the railroad is continuing to grow
Current Use of JPB Property

• “Non-railroad uses” – ancillary uses of property that do not directly support delivery of rail service, but could provide source of revenue

• Two categories of non-railroad uses:
  - Public-serving uses proposed by third parties, such as utilities, streets, etc.
  - Commercial uses proposed by third parties, such as car sales lots, parking, storage, etc. as well as TOD projects
Current Use of JPB Property

- Non-railroad uses allowed on JPB property only if compatible with current and potential future agency needs and railroad uses of the property
  - Generally, leases required to be terminated if/when the property is needed for railroad uses
- Tension between preserving land for potential future railroad use and using land for longer-term non-railroad uses
  - One TOD project (Hayward Park) pursued after determination that it would not preclude future railroad uses
Future Use of JPB Property

- Many changes coming to Caltrain corridor in the future, which will affect future rail service and future use of JPB property:
  - Electrification of corridor
  - Expanded fleet and maintenance needs
  - Potential grade separation projects
  - Blended service with High Speed Rail
  - Other potential Caltrain infrastructure projects related to Business Plan Implementation
Belmont Station: Example of Balancing Tradeoffs with Future Use of JPB Property
Policies that Guide Use of JPB Property
Plans and Policy

- Caltrain Business Plan
- Rail Corridor Use Policy
- Transit-Oriented Development Policy
Caltrain Business Plan

• “How should Caltrain grow?”
• Key outcomes:
  - Long-range vision for Caltrain’s rail service, including:
    • Train service patterns
    • Conceptual infrastructure needs
    • Costs and outcomes of service delivery
  - Business case and strategy
  - Implementation plan
Rail Corridor Use Policy (RCUP)

• “How could the JPB’s land be used and who could use it?”
• “What property could be available for non-railroad uses, such as TOD projects?”
• Key outcomes:
  - Map and inventory of JPB real estate assets and potential capital projects
  - Policy document to guide review process for proposed uses on JPB property
Transit-Oriented Development Policy (TOD Policy)

• “How should the JPB develop land that is available for non-railroad uses?”
• Key outcomes:
  - Goals for TOD on JPB property
  - Refined list of potential opportunity sites for TOD projects
  - Business objectives associated with joint development
  - Policies for engaging with local planning efforts and promoting TOD in station areas
Relationships between the Efforts

- **Business Plan:**
  - Capital infrastructure requirements for the Business Plan’s service vision are incorporated into the RCUP

- **Rail Corridor Use Policy:**
  - Data from the RCUP will inform TOD Policy development, including inventory of potential opportunity sites
The Rail Corridor Use Policy (RCUP) project performed a preliminary assessment of JPB sites to understand the remaining potential development opportunities after considering property needed to support the railroad’s current and future needs.

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>Acreage Remaining after Service Vision Capital Project Overlay</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redwood City Station</td>
<td>1.7 acres</td>
<td>Irregularly shaped site includes transit center and creek</td>
</tr>
<tr>
<td>Mountain View Station</td>
<td>3.1 acres</td>
<td>Includes transit center and easement to VTA</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4.8 acres</strong></td>
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### OTHER POTENTIAL OPPORTUNITY SITES

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<tr>
<td>Williams Ave &amp; Diana St, San Francisco</td>
<td>1.4 acres</td>
<td>Site occupied with community garden and over tunnel</td>
</tr>
<tr>
<td>South San Francisco Station</td>
<td>1.3 acres</td>
<td>Most of the site is under 101 and it is not independently developable</td>
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<tr>
<td>San Mateo Station</td>
<td>1.1 acres</td>
<td>Subject to long term lease with City of San Mateo</td>
</tr>
<tr>
<td>2nd Avenue, San Mateo</td>
<td>0.3 acres</td>
<td>Great location, very small site</td>
</tr>
<tr>
<td>Hillsdale Station</td>
<td>0.6 acres</td>
<td>Not independently developable</td>
</tr>
<tr>
<td>Menlo Park Station</td>
<td>1.2 acres</td>
<td>Very narrow, includes many parking spaces and is a historical station site</td>
</tr>
<tr>
<td>Sunnyvale Station</td>
<td>0.9 acres</td>
<td>Used as the station’s primary access point, shuttle and parking</td>
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The TOD Policy
SCOPE OF THE TOD POLICY

• Applies to properties that are:
  - Owned by the Agency in fee simple
  - Available for development independent from a capital project (as identified by RCUP)
TOD POLICY GOALS

- **Sustainable Transportation.** Promote Caltrain ridership and sustainable transportation modes.

- **Value Creation.** Create value for the JPB, consistent with the JPB’s overall business strategy, which can be reinvested into the railroad’s core mission of providing rail transportation service.
TOD POLICY GOALS

• **Equity.** Provide an appropriate balance of land uses, equity in access, and other benefits that align with the priorities of the local community.

• **Complete Communities.** Establish station areas as complete communities in partnership with other stakeholders.
STRATEGIC OBJECTIVES

• Encourage transit-supportive development
• TOD should encourage transit ridership and enable daily activities that do not require a car.

• Parking for the TOD should be limited to discourage vehicle trips in favor of other modes, including walking, biking and transit.

• TOD should seek the maximum possible density
  - Shall include a minimum of 50 units per acre and all projects shall be at least 4 stories high.
STRATEGIC OBJECTIVES

• Generate revenue streams to offset operating costs
• Favor long-term ground leases
  - Sale of property may be considered in exceptional situations
• Receive fair market value for land.
• Participate in the success of development
  • Participation rents
  • Base rent floor
STRATEGIC OBJECTIVES

• Generate revenue streams to offset operating costs
  - Solicit development proposals using a competitive process.

  Unsolicited offers considered only in special cases
  For example: small site, limited access, or unable to be developed independently, a competitive process may not be availing.
STRATEGIC OBJECTIVES

• Require residential TOD to provide affordable housing onsite.
• Residential development: 30 percent below market rents.
  - 10 percent targeted to households with incomes of no more than 120 percent of Area Median Income (AMI),
  - 10 percent: 80 percent of AMI
  - 10 percent: 50 percent of AMI.
STRATEGIC OBJECTIVES

• Encourage high labor standards and contribute to workforce development

• Require prevailing wage for labor.

• Encourage project labor agreements.
Questions?