

**Peninsula Corridor Joint Powers Board
Work Program – Legislative – Planning Committee (WPLP)
1250 San Carlos Avenue, San Carlos CA**

MINUTES OF APRIL 28, 2021

MEMBERS PRESENT: C. Stone (Chair), C. Chavez, S. Heminger

MEMBERS ABSENT: None.

STAFF PRESENT: J. Hartnett, J. Cassman, S. van Hoften, S. Petty, M. Bouchard, D. Hansel, A. Chan, B. Fitzpatrick, B. Tietjen, M. Jones, D. Pape, N. Atchison, D. Seamans, S. Wong

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE

Chair Charles Stone called the subcommittee meeting to order at 3:02 p.m. and led the Pledge of Allegiance.

2. ROLL CALL

District Secretary Dora Seamans called the roll and confirmed a quorum was present.

3. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

Roland Lebrun, San Jose, commented on the Hillsdale station wireless technology and lack of member contribution to the budget.

Adrian Brandt, San Mateo County, commented on the new schedule, commuting riders, including a wider demographic of riders, and revamping the zone based fare structure.

4. APPROVE MEETING MINUTES OF MARCH 24, 2021

Motion/Second: Heminger/Chavez

Ayes: Chavez, Heminger, Stone

Noes: None

Absent: None

5. STATE AND FEDERAL LEGISLATIVE UPDATE

Brent Tietjen, Government and Community Affairs Officer, provided updates which included the following: American Jobs Plan (Infrastructure Package), INVEST in America Act (Surface Transportation Reauthorization Bill), and Fiscal Year 2022 Appropriations.

Public comment

Roland Lebrun, San Jose, commented on using \$200 million of the \$5 billion in Americans with Disabilities Act (ADA) implementation funds to reconstruct Hillsdale, Belmont, South San Francisco stations.

6. AUTHORIZE EXECUTION OF EXCLUSIVE NEGOTIATING AGREEMENT WITH SOUTH CITY VENTURES LLC FOR CERTAIN SOUTH SAN FRANCISCO CALTRAIN STATION PROPERTY ON DUBUQUE AVENUE IN SOUTH SAN FRANCISCO, CALIFORNIA

April Chan, Chief Officer of Planning, Grants, and TA Administration, provided a presentation regarding the negotiating agreement at the South San Francisco Caltrain station identified as part of the Rail Corridor Use Plan (RCUP). She spoke about the background, benefits of working together, the example site plan, and transit-oriented development (TOD) policy, the staff recommendation, and next steps.

Public comment

Roland Lebrun, San Jose, commented on spaces reserved for the southbound platform, reserving space for level boarding and high speed tracks; this development increasing Caltrain ridership and spoke in support of issuing a request for proposals (RFP) for separate interim realty services.

The Board members had a discussion and staff provided further clarification in response to the Board comments and questions regarding working with the City of South San Francisco, the usage of the space, the long-term impacts, the Rail Corridor Use policy (RCUP), and the long-term service vision for Caltrain.

Motion/Second: Heminger/Chavez

Ayes: Chavez, Heminger, Stone

Noes: None

Absent: None

7. APPROVE 10-YEAR LEASE WITH PROMETHEUS REAL ESTATE GROUP AT THE SAN CARLOS CALTRAIN STATION

April Chan, Chief Officer of Planning, Grants, and TA Administration, stated that this is for a ten-year lease with Prometheus Group for the lease of the San Carlos Station depot building (and primarily related to the depot café property). She spoke about preserving compatibility with the RCUP (Rail Corridor Use policy) concerns, the variance process, and it being compatible with the long-term service vision. Sebastian Petty, Deputy Chief, Planning for Caltrain, noted that they did a capital overlay for future capital projects there and included considerations for future electrification and potential grade crossings or passing tracks, and the staff finding to recommended a ten-year lease here. Ms. Chan reviewed noted that this is a historic building that needs improvement and repairs and staff recommended waiving the first three years' rent.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions regarding the following:

- Shorter lease options
- Potential location with future passing tracks and high speed rail
- Whether this lease extension comes back to the Board
- Rent structure with the sublease with Prometheus, with the annual rent increase
- Improvement investments relative to the length of the lease (getting an appropriate rate of return)
- History of the space in terms of marketability and previous leases

- How urgent this contract is or whether it could wait for key staff to return to answer questions at the next WPLP Committee meeting
- Potentially holding a special closed session for details on property negotiations
- Conditions that could trigger passing tracks being needed
- Whether high speed rail would be coming through San Carlos in the next ten years

The Board directed staff to determine if this item should be considered at a future closed session with the full Board at its June meeting or if it could be deferred for further discussion at next month's WPLP Committee meeting once key staff is available to make a recommendation.

Public comment

Roland Lebrun, San Jose, commented on removing previously existing passing tracks and level boarding at other stations.

Adrian Brandt, San Mateo County, commented on the passing tracks currently relocated to the south of San Carlos station without touching the depot.

8. POST COVID BUSINESS STRATEGY – SCENARIO PLANNING

Sebastian Petty, Deputy Chief of Planning, provided a presentation and spoke about recovery planning, and what four main future scenarios (butterfly, back on track, downward spiral, and shark tank) might mean for Caltrain finances. These scenarios were intended to highlight four plausible and divergent potential futures for the railroad. Mr. Petty noted that this was an illustrative exercise to look at the range of options and not something Caltrain is putting into plan. He noted that restoring and building ridership is critical to Caltrain's ongoing financial sustainability and increasing fixed costs and inflationary pressures will be ongoing challenges.

Public comment

Roland Lebrun, San Jose, commented on previous plans to save after electrification, current lack of member contributions, rearranging the planning budget, hiring based on ridership recovery experience, changing frequency versus changing service, and building high speed rail tracking south of San Carlos.

Adrian Brandt, San Mateo County, commented on member agencies zeroing out on capital and operating contribution, ridership recovery, and attracting a broader demographic with increased frequency.

The Board members had a robust discussion and staff provided further clarification in response to the Board comments and questions on the following:

- Measure RR covering only operations in the short-term
- Lack of sources to fund capital and state of good repair items
- Increase of \$100 million in costs between year two to year three
- All scenarios requiring more than the expected funding from Measure RR
- Low carbon credit program as a source of ongoing revenue post-electrification

- Member agency agreement to contribute to the capital budget
- Having further discussion on this with the full Board meeting

9. UPDATE ON FISCAL YEAR 2022 SHUTTLE PROGRAM FUNDING AND SERVICES

The Board requested this item be moved to next month's WPLP Committee meeting.

Public comment

Roland Lebrun, San Jose, commented on keeping the weekend Tamien shuttle to bridge weekend service to Diridon, and shifting cost of Bayshore Shuttle in Brisbane to Samtrans.

10. COMMITTEE MEMBER REQUESTS

Director Heminger requested information on future station plans including high speed rail and encouraged regular consultative process between Caltrain and high speed rail.

11. DATE/TIME OF NEXT REGULAR WPLP COMMITTEE MEETING: WEDNESDAY, MAY 26, 2021 AT 3:00 PM VIA ZOOM

12. ADJOURN

The meeting adjourned at 4:53 p.m.