Authorize Executive Director to Enter Purchase Agreement for Property Needed to Support the Peninsula Corridor Electrification Project

JPB Finance Committee
November 17, 2025

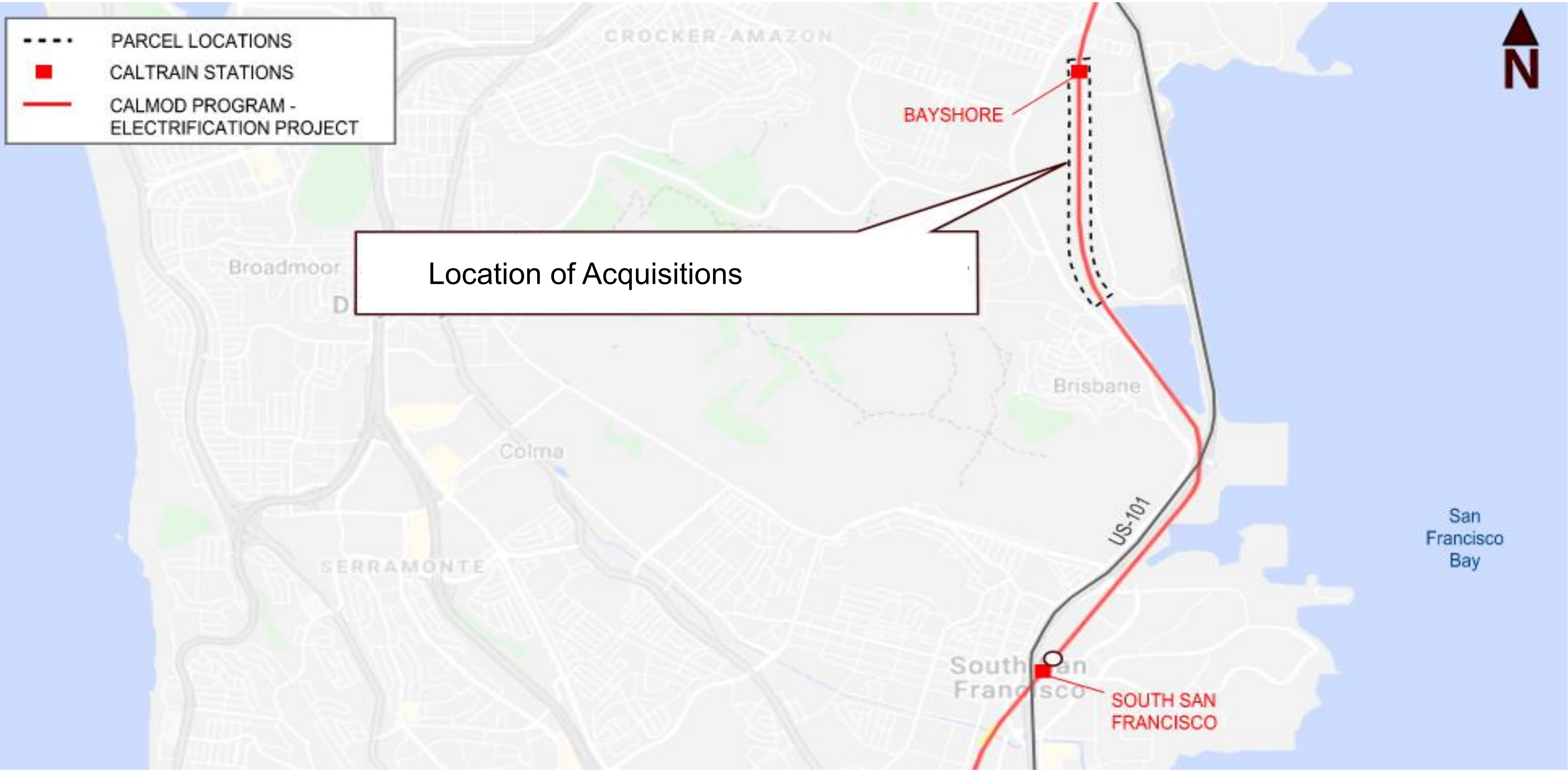
Recommendation

- Staff recommends that the Board authorize the Executive Director to acquire easements to two parcels owned by Visitacion Investment, LLC, and Sunquest, Inc., for a total of $1,261,640.50 in support of the Peninsula Corridor Electrification Project (PCEP).

Background

- Baylands Development Inc. (BDI) owns a former rail yard that extends from the City and County of San Francisco (CCSF) into San Mateo County, through affiliated entities:
  - Property in CCSF owned by Visitacion Investment, LLC (Parcel JPB-SF1-0094)
  - Property in San Mateo County owned by Sunquest Properties, Inc. (Parcel JPB-SM1-0202)

Vicinity Map



Existing Conditions

- JPB has a railroad easement to the existing right-of-way (ROW).
  - Provides JPB full rights to own, operate, and maintain railroad facilities.
  - BDI owns the land.

Purpose of Acquisition

- Acquisition covers narrow strips along ROW to accommodate PCEP facilities.
  - Catenary poles, signals, communications, and SCADA systems
  - Project to acquire railroad easements
- Parcel sizes:
  - JPB-SF1-0094: ~1,544 sq. ft. – owned by Visitacion Investment, LLC
  - JPB-SM1-0202: ~39,325 sq. ft. – owned by Sunquest Properties, Inc.

Negotiation History

- **Early 2019:** JPB first contacted BDI to discuss acquisition
- **2020:** Parties agreed on final design accommodating both JPB and BDI needs
- **Jan 22, 2021:** JPB made formal purchase offer
- **June 2021:** BDI completed its own appraisal and shared results with JPB

Settlement and Federal Approval

- **Aug 1, 2021:** BDI granted JPB immediate access for construction and operation of PCEP
  - All project components for PCEP Electrification have since been installed
- **Late 2023:** Parties reached settlement of $1,261,640.50
- **April 17, 2024:** Approved by FTA
- Funds for this acquisition are included within the PCEP budget – no additional funds are required

Delay and Finalization

- BDI asked JPB to delay closing while considering applying for a state grant that would have enabled property conveyance to JPB at no cost.
  - Transaction paused for about one year
- When grant was not awarded, BDI asked JPB to proceed with the approved settlement.

Recommendation

- Staff recommends that the Finance Committee recommend that the Board authorize the Executive Director to acquire easements to two parcels owned by Visitacion Investment, LLC, and Sunquest, Inc., for a total of $1,261,640.50 in support of the Peninsula Corridor Electrification Project (PCEP).

FOR MORE INFORMATION

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