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MICHELLE BOUCHARD  
EXECUTIVE DIRECTOR

# AGENDA

## Peninsula Corridor Joint Powers Board Finance Committee Meeting

December 15, 2025, 2:30 pm

Bacciocco Auditorium, 2nd Floor  
1250 San Carlos Avenue, San Carlos, CA 94070

Committee Members: David J. Canepa (Acting Chair), David Cohen

Members of the public may participate remotely via Zoom at

<https://us02web.zoom.us/j/81843266625?pwd=aDExTGlUUJSOUc5TkNnbU1QMTRHUT09> or by entering Webinar ID: # 818 4326 6625, Passcode: 249080, in the Zoom app for audio/visual capability or by calling 1-669-900-6833 (enter webinar ID and press # when prompted for participant ID) for audio only. The video live stream will be available after the meeting at <https://www.caltrain.com/video-board-directors>.

Members of the public also may participate in person at: San Mateo County Transit District, 1250 San Carlos Avenue, Bacciocco Auditorium - Second Floor, San Carlos, CA, or any other noticed location.

**Public Comments:** Written public comments may be emailed to [publiccomment@caltrain.com](mailto:publiccomment@caltrain.com) or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted weekly along with any Finance Committee correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the weekly Finance Committee correspondence reading file, posted online at: <https://www.caltrain.com/about-caltrain/meetings>

Verbal public comments will also be accepted during the meeting in person and through Zoom\* or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Participants using Zoom over the Internet should use the Raise Hand feature to request to speak. For participants calling in, dial \*67 if you do not want your telephone number to appear on the live broadcast. Callers may dial \*9 to use the Raise Hand feature for public comment. Each commenter will be recognized to speak, and callers should dial \*6 to unmute themselves when recognized to speak.

Each public comment is limited to two minutes. The Committee Chair has the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

**December 15, 2025 - Monday**

**2:30 pm**

*All items to which Government Code section 84308 applies have been marked with an asterisk.*

*A double asterisk indicates that one or more Directors of the JPB serve on the governing board of a public agency with which the JPB proposes to contract. Under Government code section 1091(a)(9), this relationship is considered to be a noninterest but it must be disclosed.*

1. Call to Order
2. Roll Call
3. Pledge of Allegiance / Safety Briefing
4. Public Comment on Items not on the Agenda  
Comments by each individual speaker shall be limited to two (2) minutes. Items raised that require a response will be deferred for staff to reply.
5. Consent Calendar  
Members of the Board may request that an item under the Consent Calendar be considered separately.

5.a. Approval of Meeting Minutes for November 17, 2025	Motion
6. Receive Quarterly Financial Report: Fiscal Year 2026 Quarter 1 Results	Motion
7. Amend and Increase the Fiscal Year 2026 Capital Budget from \$92,641,608 to \$102,641,608	Motion
8. Authorize the Executive Director to Enter Into an Option Agreement for Sale of Property to the City of San Jose**	Motion
9. Receive Quarterly Real Estate Update	Informational
10. Receive Update on Fiscal Year 2026-2027 Budget Approach	Informational
11. Committee Member Requests	
12. Date/Time of Next Regular Finance Committee Meeting: Monday, January 26, 2026 at 2:30 pm. The meeting will be accessible via Zoom and in person at the San Mateo County Transit District, Bacciocco Auditorium, 2nd Floor, 1250 San Carlos Avenue, San Carlos, CA 94070.	
13. Adjourn	

## Information for the Public

All items appearing on the agenda are subject to action by the Committee. Staff recommendations are subject to change by the Committee. If you have questions on the agenda, please contact the JPB Secretary at 650.551.6108. Agendas are available on the Caltrain website at <https://www.caltrain.com>. Communications to the Board of Directors can be e-mailed to [board@caltrain.com](mailto:board@caltrain.com).

*Free translation is available; Para traducción llama al 1.800.660.4287; 如需翻译 请电1.800.660.4287*

### **Date and Time of Board and Committee Meetings**

JPB Board of Directors: First Thursday of the month, 9:00 am; JPB Finance Committee: Two Mondays before the Board Meeting, 2:30 pm. JPB Technology, Operations, Planning, and Safety (TOPS) Committee: Two Wednesdays before the Board meeting, 1:30 pm. JPB Advocacy and Major Projects (AMP) Committee: Two Wednesdays before the Board meeting, 3:30 pm. The date, time, and location of meetings may be changed as necessary. Meeting schedules for the Board and Committees are available on the website.

### **Location of Meeting**

Members of the Public may attend this meeting in person or remotely via Zoom. Should Zoom not be operational, please check online at <https://www.caltrain.com/about-caltrain/meetings> for any updates or further instruction.

### **Public Comment\***

Members of the public are encouraged to participate remotely or in person. Public comments may be submitted by comment card in person and given to the JPB Secretary. Written public comments may be emailed to [publiccomment@caltrain.com](mailto:publiccomment@caltrain.com) or mailed to 1250 San Carlos Avenue, San Carlos, CA 94070, and will be compiled and posted weekly along with any Finance Committee correspondence. Any written public comments received within two hours prior to the start of the meeting will be included in the weekly Finance Committee correspondence reading file, posted online at: <https://www.caltrain.com/about-caltrain/meetings>.

Oral public comments will also be accepted during the meeting in person or through Zoom or the teleconference number listed above. Public comments on individual agenda items are limited to one per person PER AGENDA ITEM. Each commenter will be automatically notified when they are unmuted to speak for two minutes or less. The Committee Chair shall have the discretion to manage the Public Comment process in a manner that achieves the purpose of public communication and assures the orderly conduct of the meeting.

### **Accessible Public Meetings/Translation**

Upon request, the JPB will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in and provide comments at/related to public meetings. Please submit a request, including your name, phone number and/or email address, and a description of the modification, accommodation, auxiliary aid, service or alternative format requested at least 72 hours in advance of the meeting or hearing. Please direct requests for disability-related modification and/or interpreter services to the Title VI Administrator at San Mateo County Transit District, 1250 San Carlos Avenue, San Carlos, CA 94070-1306; or email [titlevi@samtrans.com](mailto:titlevi@samtrans.com); or request by phone at 650-622-7864 or TTY 650-508-6448.

### **Availability of Public Records**

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that is distributed to a majority of the legislative body, will be available for public inspection at 1250 San Carlos Avenue, San Carlos, CA 94070, at the same time that the public records are distributed or made available to the legislative body.

**Peninsula Corridor Joint Powers Board  
1250 San Carlos Avenue, San Carlos, CA 94070**

**Finance Committee  
DRAFT Minutes of November 17, 2025**

**Members Present:** David Cohen, David Canepa (Acting Chair)

**Staff Present:** M. Bouchard, A. Feng, N. Fogarty, J. Harrison, K. Jordan Steiner, L. Lumina-Hsu, A. To

**1. Call to Order**

Chair Canepa called the meeting to order at 2:30 pm.

**2. Roll Call**

Loana Lumina-Hsu, JPB Deputy Secretary, called the roll and confirmed a quorum was present.

**3. Pledge of Allegiance / Safety Briefing**

Acting Chair Canepa led the Pledge of Allegiance and delivered the safety briefing.

**4. Public Comment on Items not on the Agenda**

Roland commented on handheld scanners and fare enforcement, and Santa Clara Valley Transportation Authority (VTA) dewatering near the Santa Clara Yard.

**5. Consent Calendar**

**5.a. Approval of Meeting Minutes for October 27, 2025**

Motion/Second: Cohen/Canepa

Ayes: Cohen, Canepa

Noes: None

**6. Accept Annual Comprehensive Financial Report for the Fiscal Year Ended**

**June 30, 2025**

Annie To, Director, Accounting, introduced Ryan Nielson, Partner, Brown & Armstrong, who provided the presentation, which included the following:

- Fiscal Year 2025 audit issued a clean (unmodified) opinion
- Annual Comprehensive Financial Report (ACFR) will be submitted for annual Government Finance Officers Association (GFOA) recognition
- Single audit report delayed pending federal approval; clean opinion still expected

Motion/Second: Canepa/ Cohen  
Ayes: Cohen, Canepa  
Noes: None

**7. Accept Statement of Sources and Uses for the Period Ending September 30, 2025**

Kate Jordan Steiner, Chief Financial Officer, provided the presentation that included the following:

- Net surplus \$10.5 million, \$24 million favorable to budget (higher revenues, timing-related underspending)
- Sources \$17.5 million above budget; uses \$6.6 million below budget
- Monthly reporting transitioning to quarterly in January

Motion/Second: Cohen/Canepa  
Ayes: Cohen, Canepa  
Noes: None

Public Comment

Roland commented on potential future downside; supported quarterly reporting

**8. Authorize the Executive Director to Acquire JPB Parcel Number JPB-SF1-0094, Owned by Visitacion Investment, LLC, and JPB Parcel Number JPB-SM1-0202, Owned by Sunquest Properties, Inc. for a Total of \$1,261,640.50**

Nadine Fogarty, Director, Real Estate Development, explained the acquisition support JPB operations and future projects.

The Committee members had a robust discussion and staff clarified that undergrounding is technically possible but would be very costly and challenging due to the high water table.

Motion/Second: Cohen/ Canepa  
Ayes: Cohen, Canepa  
Noes: None

Public Comment

Roland commented on the Baylands Development Inc (BDI) partnership and opportunities to fully underground and explore additional options.

**9. Committee Member Requests - There were none.**

**10. Date/Time of Next Regular Finance Committee Meeting:** Monday, December 15, 2025, at 2:30 pm.

**11. Adjourn** - The meeting adjourned at 2:56 pm.

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: JPB Finance Committee  
Through: Michelle Bouchard, Executive Director  
From: Kate Jordan Steiner, Chief Financial Officer  
For: January 2026 JPB Board of Directors Meeting  
Subject: **Receive Quarterly Financial Report: Fiscal Year 2026 Quarter 1 Results**

Finance Committee Recommendation     Technology, Operations, Planning, and Safety Committee Recommendation     Advocacy and Major Projects Committee Recommendation

**Purpose and Recommended Action**

The Board will receive an update on the financial results for Fiscal Year 2026 (FY26) Quarter 1 (Q1). This is an informational item.

**Discussion**

Caltrain ended FY26 Q1 with a surplus of \$10.5 million, which is \$24.2 million (176.5 percent) favorable compared to the budgeted deficit of \$13.7 million.

This favorable position is generally due to timing of receipt of revenues attributed to prior years' expenses, as well as timing-related savings on expenditures.

**Sources:** Total sources were \$66.8 million which is above the budgeted target of \$49.2 million by \$17.5 million (35.7 percent). Major contributing factors include:

- **State Rail Assistance (SRA):** \$12.3 million favorable (100 percent), driven by the receipt of the FY23-FY25 SRA allocations for FY24 and FY25 expenses.
- **Caltrain Fare Revenue:** \$3.8 million (33.5 percent) favorable to budget, attributed to strong ridership recovery reaching 66.2 percent of pre-pandemic levels.
- **Other Income:** \$0.7 million (146.9 percent) favorable to budget, primarily driven by the insurance refunds/reimbursement.
- **Interest Revenue:** \$0.5 million (78.3 percent) favorable to budget, mainly due to higher than anticipated interest rates and favorable account balances.

**Uses:** Total uses were \$56.3 million compared to the adopted budgeted \$62.9 million resulting in \$6.6 million (10.6 percent) favorable variance with main drivers being:

- **Insurance and Risk Management:** \$1.8 million (38.7 percent) favorable to budget due to timing of claims.
- **Rail Operations:** \$1.3 million (3.9 percent) favorable to budget driven by vacancies and timing of invoices. Rail operations costs are expected to increase in future periods as invoices are received and processed in later months.
- **Maintenance and Facilities:** \$1 million (24.8 percent) favorable to budget attributed to timing difference in Other Contract Services and Building Maintenance. It is expected that expenditure will increase in subsequent periods as invoices are received and processed.
- **Professional and Contracted Services:** \$0.8 million (31 percent) favorable to budget largely due to timing of invoices and processing activity. These items are expected to align closer to budget as remaining invoices are received and processed in subsequent quarters.
- **Wages and Benefits:** \$0.5 million (6.8 percent) favorable to budget primarily driven by vacancies and lower than anticipated shared services staff time charged to Caltrain.
- **Managing Agency Administrative Overhead Cost:** \$0.4 million (28.1 percent) favorable to budget due to a lower rate being applied to date until the FY26 internal cost allocation plan is finalized. Once the FY26 rate is approved, a true-up will be implemented.

### **Budget Impact**

This is an informational item. There is no budget impact.

Prepared By: Kate Jordan Steiner Chief Financial Officer 11/16/2025

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: JPB Finance Committee

Through: Michelle Bouchard, Executive Director

From: Kate Jordan Steiner, Chief Financial Officer

For: January 2026 JPB Board of Directors Meeting

Subject: **Amend and Increase the Fiscal Year 2026 Capital Budget from  
\$92,641,608 to \$102,641,608**



Finance Committee  
Recommendation



Technology, Operations, Planning,  
and Safety Committee  
Recommendation



Advocacy and Major Projects  
Committee Recommendation

**Purpose and Recommended Action**

Staff recommend that the Board of Directors (Board) of the Peninsula Corridor Joint Powers Board (JPB) amend the Fiscal Year 2026 (FY26) Capital Budget in the amount of \$10 million, from \$92,641,608 to \$102,641,608.

**Discussion**

Staff propose amending the FY26 Capital Budget to include \$10 million in member contributions from San Francisco County Transportation Authority (SFCTA) for the Guadalupe River Bridges Replacement Project. The subject \$10 million has not yet been allocated by the SFCTA.

Project delays have increased both schedule and cost, with the revised estimate adding \$107.69 million and bringing the total project cost to \$171.39 million. In November 2025, the Board approved a capital budget amendment adding \$20 million, \$10 million each from the Santa Clara Valley Transportation Authority (VTA) and San Mateo County Transit Authority (SMCTA), as member contributions to this critical safety project. The proposed amendment adds \$10 million contribution from the SFCTA, provided as \$2.5 million annually over four years.

Staff continue to work with member agencies and will return to the Board once the remaining \$10 million is secured.

**Budget Impact**

The proposed amendment increases the FY26 Capital Budget from \$92,641,608 to \$102,641,608.

Prepared By: Oscar Quintanilla Lopez Director of Budgets and Financial Analysis 12/8/2025

Lyne-Marie Bouvet Principal Planner, Capital Improvement Plan 12/8/2025

**Resolution No. 2026-**

**Board of Directors, Peninsula Corridor Joint Powers Board  
State of California**

\* \* \*

**Amend and Increase the Fiscal Year 2026 Capital Budget from \$92,641,608  
to \$102,641,608**

**Whereas**, pursuant to Resolution No. 2025-29 adopted on June 5, 2025, the Peninsula Corridor Joint Powers Board (JPB) adopted the Fiscal Year 2026 (FY26) Capital Budget for a total authorized budget of \$34,831,992; and

**Whereas**, pursuant to Resolution No. 2025-45 adopted on September 4, 2025, the JPB authorized Amendment 1 to Caltrain's FY26 Capital Budget, increasing the total adopted Capital Budget to \$66,491,608; and

**Whereas**, pursuant to Resolution No. 2025-51 adopted on November 6, 2025, the JPB authorized Amendment 2 to Caltrain's FY26 Capital Budget, increasing the total adopted Capital Budget to \$92,641,608; and

**Whereas**, in June 2025, staff presented a revised budget, schedule, and funding plan for the Guadalupe Bridge Replacement project; and

**Whereas**, staff has identified \$10,000,000 of the \$107,691,005 required to fully fund the project from San Francisco County Transportation Authority (SFCTA).

**Now, Therefore, Be It Resolved** that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby authorizes an amendment to Caltrain's FY26 Capital Budget from \$92,641,608 to \$102,641,608.

Regularly passed and adopted this 8th day of January 2026 by the following vote:

Ayes:

Noes:

Absent:

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Chair, Peninsula Corridor Joint Powers Board

Attest:

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JPB Secretary

Project Identification			FY26 Funding Source (in millions)													
Project #	CIP Priority	Project Name	FY2026 ADOPTED CAPITAL BUDGET	Amendment 1 (September 2025)	Amendment 2 (November 2025)	Amendment 3 (January 2026)	FY2026 AMENDED CAPITAL BUDGET	SFCTA	SMCTA	VTA	Federal	STA SGR	LPP	AB664	Other	Unfunded
<b>I. Mandates and Compliance</b>																
1	100912	Mandate Storm Water Management Program <sup>[9]</sup>	.401				.401	.000	.000	.000	.000	.000	.000	.000	.401	.000
		<b>Subtotal</b>	<b>.401</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.401</b>									
<b>II. Maintain Core Services</b>																
<b>Projects</b>																
2	100762	High San Francisquito Creek Bridge Bank Stabilization <sup>[9]</sup>	.400				.400	.000	.000	.000	.000	.000	.000	.000	.400	.000
3	100696	High Fiber Optic Permanent Repair <sup>[11]</sup>	1.500				1.500	.000	.000	.000	.000	.000	.000	.000	1.500	.000
4	100913	High Tunnel 1, 2, 3 and 4 Weep Hole Rehabilitation and Drainage Improvements	1.500				1.500	.300	.000	.000	1.200	.000	.000	.000	.000	.000
5	100914	High Headquarters Relocation – Furnitures, Fixtures, IT and Moving Cost <sup>[2]</sup>	3.583				3.583	.000	.000	.000	.000	.000	.000	.000	3.583	.000
18	002113	High Guadalupe River Bridges Replacement <sup>[11]-[14]</sup>	.000		20.000	10.000	30.000	10.000	10.000	10.000	.000	.000	.000	.000	.000	.000
<b>Recurring Programs</b>																
6	100915	High SOGR Program - Stations	1.000				1.000	.000	.000	.000	.800	.200	.000	.000	.000	.000
7	100429	High SOGR Program - MOW Tracks <sup>[3]</sup>	6.252				6.252	1.000	.000	.000	5.000	.252	.000	.000	.000	.000
8	100435	High SOGR Program - CEMOF	2.000				2.000	.200	.000	.000	1.600	.000	.000	.200	.000	.000
9	100779	High SOGR Program - Track Equipment <sup>[3]</sup>	1.800				1.800	1.000	.000	.000	.000	.548	.000	.000	.252	.000
10	100428	High SOGR Program - Bridges and Structures	1.715				1.715	.000	.000	.000	1.372	.343	.000	.000	.000	.000
11	100695	High SOGR Program - ROW and ROW Fencing	1.500				1.500	.000	.000	.000	1.000	.400	.000	.100	.000	.000
		<b>Subtotal</b>	<b>21.250</b>	<b>.000</b>	<b>20.000</b>	<b>10.000</b>	<b>51.250</b>									
<b>III. Provide a Safe and Secure Railroad</b>																
19	*NEW*	High Grade Crossing Safety Enhancement <sup>[12]</sup>			.950		.950	.000	.000	.000	.000	.000	.000	.000	.950	.000
		<b>Subtotal</b>	<b>.000</b>	<b>.000</b>	<b>.950</b>	<b>.000</b>	<b>.950</b>									
<b>IV. Enhance Service and Customer Experience</b>																
12	100916	High Platform Improvements for Bike Loading (All Stations) <sup>[9]</sup>	.080				.080	.000	.000	.000	.000	.000	.000	.000	.080	.000
		<b>Subtotal</b>	<b>.080</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.080</b>									
<b>V. Deliver the Long-Range Service Vision</b>																
13	100570	High Redwood City Four-Track Station and Grade Separation <sup>[4]</sup>	.250				.250	.000	.000	.000	.000	.000	.000	.000	.250	.000
		<b>Subtotal</b>	<b>.250</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.250</b>									
<b>VI. Contribute to the Region's Economic Vitality</b>																
14	100568	n/a Diridon Station - Environmental Clearance <sup>[9][10]</sup>	2.000	31.660			33.660	.000	.000	.000	.000	.000	.000	.000	33.660	.000
15	100687	n/a DTX/The Portal - Caltrain Service Extension to Salesforce Transit Center <sup>[6]</sup>	5.531				5.531	.000	.000	.000	.000	.000	.000	.000	5.531	.000
		<b>Subtotal</b>	<b>7.531</b>	<b>31.660</b>	<b>.000</b>	<b>.000</b>	<b>39.190</b>									
<b>VII. Partner with Local Jurisdictions</b>																
16	100482	n/a Rengstorff Avenue Grade Separation <sup>[7]</sup>	4.000				4.000	.000	.000	.000	.000	.000	.000	.000	4.000	.000
		<b>Subtotal</b>	<b>4.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>4.000</b>									
<b>VIII. Capital Contingency Funds</b>																
17	002121	n/a Capital Contingency Funds <sup>[8]</sup>	1.320				1.320	.000	.000	.000	.000	.000	.000	.000	.000	1.320
002122																
002124																
		<b>Subtotal</b>	<b>1.320</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>1.320</b>									
<b>IX. Recollectible</b>																
20	100928	n/a Disposal of Legacy Diesel Fleet <sup>[13]</sup>	.000		5.200		5.200	.000	.000	.000	.000	.000	.000	.000	5.200	.000
		<b>Subtotal</b>	<b>.000</b>	<b>.000</b>	<b>5.200</b>	<b>.000</b>	<b>5.200</b>									
		<b>Total</b>	<b>34.832</b>	<b>31.660</b>	<b>26.150</b>	<b>10.000</b>	<b>102.642</b>	<b>12.500</b>	<b>10.000</b>	<b>10.000</b>	<b>10.972</b>	<b>1.743</b>	<b>.000</b>	<b>.300</b>	<b>55.806</b>	<b>1.320</b>



Project Identification			FY26 Funding Source (in millions)													
Project #	CIP Priority	Project Name	FY2026 ADOPTED CAPITAL BUDGET	Amendment 1 (September 2025)	Amendment 2 (November 2025)	Amendment 3 (January 2026)	FY2026 AMENDED CAPITAL BUDGET	SFCTA	SMCTA	VTA	Federal	STA SGR	LPP	AB664	Other	Unfunded

**Notes:**

- [1] Funded by settlement agreement for the repair of the Fiber Optic.
- [2] Other sources of funding includes \$1,109,710 of project saving from project 100565 funded by the General Capital Funds and \$2,473,581 of project cost saving in the Contingency Fund.
- [3] Funding for \$252,000 is project savings from prior years' San Francisco County Transportation Authority (SFCTA) allocation (moved from 100429 to 100779 in Dec 2025)
- [4] Funded by an agreement with the City of Redwood City
- [5] Funded by an agreement with the Valley Transportation Authority (VTA) Measure B
- [6] Funded by an agreement with the Transbay Joint Power Authority (TJPA)
- [7] Funded by an agreement with the City of Mountain View.
- [8] Funding for the Contingency funds have yet to be finalized.
- [9] Funding is from prior years' San Mateo County Transportation Authority (SMCTA) allocation released during the TIRCP bond proceeds fund swap
- [10] Increased by \$31,659,616, \$4 million from Measure B agreement with VTA and \$27,659,616 from Regional Measure 3 agreement with VTA
- [11] The SMCTA and VTA contributions represent two years of member funding.
- [12] Funded by an agreement with VTA Measure B
- [13] Funded by the Municipality of Lima, Peru.
- [14] The SFCTA contributions reflect four years of 50% of their annual contribution.

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: JPB Finance Committee

Through: Michelle Bouchard, Executive Director

From: James Harrison, General Counsel

For: January 2026 JPB Board of Directors Meeting

Subject: **Authorize the Executive Director to Enter Into an Option Agreement for Sale of Property to the City of San Jose\*\***

Finance Committee Recommendation     Technology, Operations, Planning, and Safety Committee Recommendation     Advocacy and Major Projects Committee Recommendation

**Purpose and Recommended Action**

Staff recommends that the Finance Committee recommend that the Peninsula Corridor Joint Powers Board (Board) authorize the Executive Director to enter into a 10-year option agreement for sale of property to the City of San Jose for \$71,600, increasing three percent annually during the term of the agreement, for the Cahill Street extension project.

**Discussion**

The City of San Jose (City) would like to acquire a small strip (less than 5,000 square feet) of JPB-owned property (Property) for the purpose of a roadway extension. The proposed extension is required to implement access and circulation improvements identified as part of the City's Diridon Station Area Plan (DSAP), adopted in May 2021. It will also facilitate development planned by the City of San Jose (City) and Google near the Diridon Station. Under the proposed transaction, the Property would be transferred directly from JPB to the City of San Jose, and the roadway would be constructed by Google and dedicated to the City of San Jose.

In June 2022, the Board approved two resolutions intended to facilitate this transaction, including:

- 1) Approving a Rail Corridor Use Policy variance to allow use of the property for the roadway extension, given that construction of a roadway will not impact plans for the Diridon Station project or implementation of Caltrain's Adopted Service Vision, and because the project will assist in implementation of the Diridon Station Area Plan and enhance access to the station.

- 2) Declaring the property “exempt surplus land” for the purposes of the California Surplus Land Act. The sale qualifies for this exemption because the property will be transferred to another government agency. This exemption was approved by the California Department of Housing and Community Development in March 2023.

Because the property was purchased with federal funds, sale of the property requires consent by the Federal Transit Administration (FTA). The FTA approved the transaction in June 2025. If the City executes the option to purchase the property, the sale proceeds will be applied to a future FTA eligible capital grant.

The sale has been structured as a 10-year option to allow for flexibility given uncertainty about timing for moving forward with the project.

**Budget Impact**

This action will not impact the budget. If the City executes the option to purchase the property, the sale proceeds will be applied to a future FTA eligible capital grant.

Prepared By: Nadine Fogarty, Director of Real Estate and  
Transit-Oriented Development 12/04/2025

**Resolution No. 2026-**

**Board of Directors, Peninsula Corridor Joint Powers Board  
State of California**

\* \* \*

**Authorize the Executive Director to Enter Into an Option Agreement for Sale of Property to  
the City of San Jose**

**Whereas**, the Peninsula Corridor Joint Powers Board (JPB) owns property currently used as a parking lot adjacent to the Diridon Caltrain Station; and

**Whereas**, the City of San Jose (City) would like to acquire a small strip (less than 5,000 square feet) of the property (Property) for the purpose of a roadway extension (JPB Parcel No. JPB-SC4-0117-1A); and

**Whereas**, the proposed roadway extension is required to implement access and circulation improvements identified as part of the City's Diridon Station Area Plan (DSAP), and will also facilitate development planned by the City of San Jose (City) and Google near the Diridon Station; and

**Whereas**, under the transaction, the Property would be transferred directly from JPB to the City of San Jose, and the roadway would be constructed by Google and dedicated to the City of San Jose; and

**Whereas**, in June 2022, the Board approved resolution 2022-29 approving a Rail Corridor Use Policy variance to allow use of the Property for the roadway extension, given that construction of a roadway will not impact plans for the Diridon Station project or implementation of Caltrain's Adopted Service Vision, and because the project will assist in implementation of the Diridon Station Area Plan and enhance access to the station; and

**Whereas**, in June 2022 the Board approved resolution 2022-30 declaring the Property “exempt surplus land” for the purposes of the California Surplus Land Act, and the exemption was approved by the California Department of Housing and Community Development in March 2023;

**Whereas**, the Property was purchased with federal funds, and the Federal Transit Administration (FTA) approved the transaction in June 2025, with the agreement that sale proceeds will be applied to a future FTA eligible capital grant; and

**Whereas**, the sale has been structured as a 10-year option to allow for flexibility given uncertainty about timing for moving forward with the project;

**Now, Therefore, Be It Resolved** that the Board of Directors hereby authorizes the Executive Director, or designee, to enter into a 10-year option agreement for sale of the Property to the City of San Jose for \$71,600, increasing three percent annually during the term of the agreement, for the Cahill Street extension project.

**Be It Further Resolved** that the Board of Directors directs the Executive Director, or designee, to sign any agreements or other documents, or take any other actions required, to give effect to this resolution.

Regularly passed and adopted this 8th day of January 2026 by the following vote:

Ayes:

Noes:

Absent:

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Chair, Peninsula Corridor Joint Powers Board

Attest:

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JPB Secretary

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: JPB Finance Committee  
Through: Michelle Bouchard, Executive Director  
From: Dahlia Chazan, Chief, Caltrain Planning and Real Estate  
For: January 2026 Board of Directors Meeting  
Subject: **Receive Quarterly Real Estate Update**

Finance Committee Recommendation     Technology, Operations, Planning, and Safety Committee Recommendation     Advocacy and Major Projects Committee Recommendation

**Purpose and Recommended Action**

This report provides a quarterly update on real estate activities, with a focus on revenue-generating activities. This report is for Fiscal Year 2026 Quarter 2 (FY26 Q2) and is provided for informational purposes only.

**Discussion**

*Property Leasing*

For Fiscal Year 2026, annual contracted revenue from property leasing is estimated to be \$1.49 million. Over the first half of the fiscal year, Caltrain has contracted for approximately \$780,200 in lease revenues, including \$392,300 in Q2, from 65 active leases. This includes lease revenue from:

- Space in station buildings such as retail at San Francisco Station;
- Station parking lots for commercial parking or active uses such as farmer's markets; and
- Leases not at stations, including use of parcels along the right of way for commercial uses, parking, storage facilities, cell sites, billboards and other uses.

Caltrain has nine station buildings with 27,249 square feet of occupiable space. About 10,451 square feet is used by TransitAmerica Services, Inc. (TASI) for rail operations, mostly at Diridon Station. The remaining 16,798 square feet is 61 percent occupied, with 6,630 square feet currently vacant (39 percent). Real estate staff are currently working to finalize a lease with a tenant for the Menlo Park Depot and are in discussion with potential tenants for the San Carlos Depot.

As part of ongoing efforts to lease additional space, Operations and Maintenance staff are currently obtaining cost estimates for needed improvements at station buildings with vacant space that might be leased.

*Transit-Oriented Development*

Caltrain currently has five priority Transit-Oriented Development (TOD) sites at San Francisco, Hayward Park, Redwood City, Mountain View and Diridon Stations. Staff are actively working with Caltrain's San Francisco Railyards team to advance TOD in partnership with Prologis. The ground lease for the planned Hayward Park TOD was recently terminated because the developer was unable to advance the project due to market conditions and did not wish to incur additional possessory interest tax charges. Real estate staff are currently in the process of initiating a portfolio-wide assessment of TOD market and development potential that will aid in prioritizing future TOD efforts and determining their timing, as well as inform the TOD Policy Update planned in 2026.

*Policy Updates*

A variety of real estate policy efforts are underway, with an eye toward clarifying real estate goals and requirements, streamlining real estate processes and generating additional revenue from JPB-owned assets. Updates to the Property Conveyance Policy and Rail Corridor Use Policy, are expected to be completed in FY26, and the TOD Policy is planned for completion in FY27.

**Budget Impact**

There is no impact on the budget.

Prepared By:	Nadine Fogarty	Director, Caltrain Real Estate and Transit-Oriented Development	12/04/2025
	Jenny Lin	Manager, Caltrain Real Estate and Transit-Oriented Development	12/04/2025

**Peninsula Corridor Joint Powers Board  
Staff Report**

To: JPB Finance Committee  
Through: Michelle Bouchard, Executive Director  
From: Li Zhang, Chief of Commercial and Business Development  
For: January 2026 JPB Board of Directors Meeting  
Subject: **Receive Update on Fiscal Year 2026-2027 Budget Approach**

Finance Committee Recommendation     Technology, Operations, Planning, and Safety Committee Recommendation     Advocacy and Major Projects Committee Recommendation

**Purpose and Recommended Action**

Staff will present an update on Caltrain's most recent financial condition and recommended approach to developing the Fiscal Year (FY) 2026-2027 Operating Budget. Staff seek general Peninsula Corridor Joint Powers Board (Board) guidance on the proposed potential options and timeline.

**Discussion**

The next several months are critical for Caltrain and the other major regional transit agencies in the Bay Area. While the potential 2026 regional transit revenue measure could provide a path for new external funding, the FY27 Operating Budget will be developed under significant financial uncertainty.

Staff will present an update on Caltrain's current operating budget context, and the approach and timeline for development of the FY27 Operating Budget.

**Budget Impact**

There is no budget impact from receiving this informational item.

Prepared By:	Oscar Quintanilla Lopez	Director, Budgets and Financial Analysis	12/08/2025
	Melissa Jones	Deputy Director, Caltrain Policy Development	12/08/2025