



The Peninsula Corridor Joint Powers Board Property Conveyance Policy

Resolution No. 2026-19

Adopted May 7, 2026

**PROPERTY CONVEYANCE POLICY
RESOLUTION NO. 2026-19**

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2. Definitions

- **Fair Market Value (FMV):** Fair market value is the price or compensation a property would reasonably command on the open market under typical market conditions. This value is determined by staff based on market data, the proposed use, the site's physical characteristics (including location, size, access and shape of the property), and considering all rights and limitations created by the applicable Property Access Agreement.
- **Fair Market Rent (FMR):** Fair market rent is an expression of the Fair Market Value for lease agreements.
- **Property Access Agreements:** Agreements used by the JPB to authorize third-party access to, or use of, JPB property. These may include Special Use Permits, Right of Entry Permits, License Agreements, and Lease Agreements as further described in *Section 4*.
- **Rail Corridor Use Policy (RCUP):** The Rail Corridor Use Policy (RCUP), adopted by the JPB in February 2020, is used to assess whether a proposed third-party use of JPB-owned property is fundamentally compatible with the railroad's current and future property needs, as defined by the Service Vision and other adopted plans and policies. This policy is updated periodically.
- **RCUP Use Variance:** A request to approve a third-party use that is not initially determined to be compatible under the RCUP review process.
- **Service Agreement:** An agreement under which an applicant reimburses the JPB for staff, legal, engineering, and administrative costs associated with evaluating, reviewing, or supporting proposed third-party use of JPB property. A Service Agreement does not grant access to, or any property rights on, JPB property, and does not oblige the JPB to approve the proposed use or issue a Property Access Agreement.

3. Guiding Principles

The following guiding principles apply to all third-party use of JPB property and establish the ordered priorities that guide evaluation and approval of such requests.

- **Principle #1: Safety**
Safety on JPB property takes precedence over all other considerations. No third-party use may introduce operational risk, impair safe rail access, or conflict with governing safety rules, construction requirements, or regulatory standards.
- **Principle #2: Preservation of Current and Future Rail Needs**
JPB property is primarily used for transportation and rail purposes. Third-party uses must be consistent with railroad priorities and will only be considered if determined compatible with current or future rail needs. No use may interfere

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with rail operations, limit future transportation projects, or increase the cost or complexity of planned rail facilities.

- **Principle #3: Revenue Generation and Cost Recovery**

JPB property may be used to generate revenue to support the railroad when it is not needed for rail purposes. Any such use must provide Fair Market Rent or Value and cover the costs of processing the request, unless an exception is approved by the appropriate authority.

- **Principle #4: Station Activation and Ridership**

Use of property that encourages station activity, provides customer amenities, improves multimodal access, enhances station area economic vitality and supports ridership will be prioritized over alternatives that provide fewer station activation and rider benefits.

- **Principle #5: Stewardship of Public JPB Property**

The JPB will protect public transportation assets and will not convey property rights without appropriate value or public benefit. Property rights are granted only to the extent necessary for the approved use and must not reduce the JPB's control of access to or use of the Corridor.

4. Property Access Agreement Types

Below are the types of agreement commonly used by the JPB to authorize third-party access to or use of JPB property. The appropriate agreement depends on the nature, duration, and permanence of the proposed use.

- **Special Use Permit:** Authorizes short-term, non-construction use of JPB property. Facilities or equipment may not be installed or left on the property at the end of the use.
- **Right of Entry (ROE):** Authorizes temporary access to JPB property for work activities including inspection, surveying, or maintenance work. No facility or improvements may remain on the property following completion.
- **License Agreement:** Authorizes a third party to install, operate, and maintain semi-permanent facilities or equipment on JPB property subject to relocation or removal conditions. It may be used in conjunction with a Right of Entry agreement for access to maintain licensed improvements.
- **Lease Agreement:** Authorizes longer-term, revenue-generating use of JPB property, which may or may not include improvements. A lease agreement provides ongoing occupancy rights for a defined term and requires Fair Market Rent consistent with *Section 6*.

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This table summarizes the common Property Access Agreement types:

Property Access Agreement	Facility Left on Property	Typical Duration²	Typical or Example Uses
Special Use Permit	No	1 day	Non-recurring or occasional special events, community activities
Right of Entry (ROE)	No	1 day to 3 months	Third-party utility inspections and service, surveys, construction access, maintenance, vegetation control
License Agreement	Yes (Semi-Permanent)	1 year to 5 years	Construction of third-party infrastructure such as utilities, pipelines, electrical, fiber optic cables and telecom
Lease Agreement	Yes (During Term)	1 year to 10 years	Commercial uses including recurring activities (e.g., farmers' markets), parking, storage, kiosks

Property Access Agreements are issued for a defined period and do not convey permanent property rights. Permanent or longer-term property conveyances, including easements, are uncommon, require approval by the Board of Directors, and must align with the Guiding Principles established in this Policy.

Property Access Agreements may be issued only after the applicant pays appropriate compensation as set forth in the JPB's Fee Schedule. For lease agreements, issuance is conditioned upon payment of any required security deposit or any other upfront payments as determined through lease negotiations.

4.1. Service Agreement Requirement

The JPB may require an applicant to execute a Service Agreement to reimburse the JPB for costs associated with reviewing, processing, and supporting a proposed use of JPB property when the request exceeds the estimated staff and attorney time reflected in the fee schedule. The Service Agreement sets forth the terms under which the applicant will reimburse the JPB for staff time, legal services, engineering reviews, administrative costs, and other related expenses.

² Durations are illustrative and may vary for agreements.



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5. Conditions of Use

All third-party uses of JPB property must meet two sets of requirements. First, a use must satisfy Baseline Conditions before it may be considered for approval. Second, any approved use must meet Required Conditions included in the final Property Access Agreement.

5.1. Baseline Conditions

A proposed third-party use may only be considered for approval when all the following conditions are satisfied:

- **Compliance with Engineering and Safety Standards**
All facilities constructed on JPB property must be designed, constructed, and maintained in a manner that ensures the safety of railroad operations and the public, and complies with all applicable federal, state, and local safety and engineering requirements, including standards and regulations of the Federal Railroad Administration (FRA), Caltrain, and California Public Utilities Commission.
- **Compatibility with Current and Future Railroad Needs**
The request must be determined to be compatible with current and anticipated future operational requirements and potential railroad uses of the property and must be consistent with the Rail Corridor Use Policy (RCUP) or includes a request for an RCUP variance that is recommended for approval.
- **Design Consistent with Corridor Flexibility**
The applicant's improvements must be designed to be compatible with the broadest range of possible transportation alternatives to minimize disruption of current and future service and avoid the necessity for later relocation.
- **Compliance with Laws and Property Funding Requirements**
The request must be in full compliance with all applicable federal and state laws, including any conditions embodied in grants or financing related to the acquisition or improvement of JPB property by the JPB or its predecessors in interest.
- **Alignment with JPB Adopted Policies**
The proposed use will be reviewed for alignment with applicable JPB adopted policies and plans, including but not limited to the Station Access Policy, the Rail Corridor Use Policy, and other adopted policies, as relevant.

5.2. Required Conditions

If the proposed use satisfies all Baseline Conditions, the Property Access Agreement must include, at a minimum, the following terms:

- **Relocation at Applicant's Expense**
In general, the applicant must agree to relocate the applicant's facilities, at the

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applicant's sole cost and expense, if necessary, to accommodate the use of the property for public transportation purposes or rail-related development, as determined by the JPB, its successors or assigns. In certain cases where the tenant will invest significantly in JPB-owned property (e.g., tenant improvements to station buildings) and where no rail capital projects are planned, staff may waive this requirement.

- **Maintenance and Repair**

The applicant must maintain and repair its improvements at its sole expense, except certain instances where improvements are delivered by a tenant for the benefit of the JPB, as determined by the JPB.

- **Indemnification**

The applicant must indemnify and hold the JPB harmless against liability, including for the release of hazardous materials, arising out of the applicant's use of the property.

- **Termination**

The agreement must include a reservation of a right in favor of the JPB to terminate the agreement for breach.

- **Insurance Requirements**

The agreement must require that the applicant (and/or its contractor) provide adequate insurance for the benefit of the JPB, its successors and assigns, including, when necessary, Railroad Protective Liability Insurance (RPLI). The JPB shall obtain RPLI in its own name, at the sole cost and expense of the applicant. An applicant may provide its own RPLI only by demonstrating coverage equivalent to, or better than, the RPLI available to the JPB.

6. Leasing Guidelines

This section establishes the guidelines by which the JPB leases JPB property not required for rail purposes.

6.1. Marketing Sites

The JPB will market leasing opportunities in a fair and transparent manner to attract qualified tenants. This may include a range of marketing, outreach, and solicitation approaches, as appropriate, including but not limited to staff-led efforts, broker representation, or competitive processes. Landlocked sites or sites that cannot be accessed by public streets may be negotiated directly with the adjoining property owner.

6.2. Fair Market Rent Requirement

All leases must provide Fair Market Rent (FMR) as determined by the JPB staff, unless an exception is approved by the JPB Board of Directors. FMR shall be evaluated based on current market conditions, the proposed use, the site's physical characteristics

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- The Property Access Agreement is for a total term, including option(s), of ten (10) years or less;
- Required fees have been paid and/or agreement terms provide Fair Market Rent, unless waived as in section 7.1.1; and
- The agreement has been determined by staff to meet Baseline Conditions and contains all Required Conditions.

Extensions or renewals of executed lease agreements may be reviewed and approved by the Executive Director or their designee on the same basis provided the extension or renewal complies with the Guiding Principles and applicable review criteria.

7.2. Fee Waiver Authority

The Executive Director (or their designee) may waive fees established in the associated fee schedule when doing so is determined in the best interest of the JPB or supports JPB operational, strategic, or community objectives.

Fee waivers shall be granted at the sole discretion of the Executive Director and may be considered under the following circumstances:

- When the permittee provides JPB with goods or services of generally equivalent or greater value than the applicable fees;
- When the agreement relates to an event for which JPB is a co-sponsor or strategic partner;
- When the agreement promotes transit use, ridership, or public awareness of Caltrain services;
- When the permittee is a governmental agency, nonprofit organization, or private entity whose activities provide public, operational, or strategic benefit to the JPB.

7.3. JPB Review and Approval

All conveyances of permanent property rights, as well as any other requests, including leases and fee waivers, that do not fall within the authority of the Executive Director will be submitted to the Board of Directors for review and action.

The Property Access Agreement may be issued only after the applicant pays appropriate compensation as set forth in the JPB's Fee Schedule, below. For lease agreements, issuance is conditioned upon payment of any required security deposit or any other upfront payments as determined through lease negotiations.

**II. PENINSULA CORRIDOR JOINT POWERS BOARD PROPERTY
CONVEYANCE POLICY FEE SCHEDULE (FY 2026-30)**

1. Reason for Fees

The Purpose of the Real Estate Processing Fee and the RCUP Use Variance Fee is to recoup costs associated with staff time to negotiate and draft the real estate document or review the Use Variance, legal time for review of documents and staff time to set up and monitor the project, as necessary. Annual License and Permit Fees represent the value of the encumbrance to the property created by the agreement.

2. Periodic Review of Fees

Fees shall be reviewed periodically and updated to reflect the JPB's costs of processing permits and administrating agreements. The Fee Schedule incorporates a standard annual escalation of three (3) percent per year to account for inflation and administrative cost growth. The Executive Director may suspend the annual escalation, if warranted.

3. Property Access Agreements and Associated Fees

Property Access Agreement types are defined in the Peninsula Corridor Joint Powers Board's (JPB) "Policy Regarding Processing of Requests for Conveyance of Property Interests Involving Property Owned by the JPB." Fees for Fiscal Years 2026–2030 are set forth below for reference.

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Fee	FY2026	FY2027	FY2028	FY2029	FY2030
Right of Entry Permit and License Agreement					
Processing Fee	\$2,700	\$2,781	\$2,864	\$2,950	\$3,039
Annual Fee (≤2,000 SF)	\$5,500	\$5,665	\$5,835	\$6,010	\$6,190
Annual Fee (>2,000 SF)	Fair market value (not less than \$5,500)				
Special Licenses					
Longitudinal Fiber Fees	Fair market value per strand per lineal foot				
Special Use Permit					
Processing Fee	\$1,600	\$1,648	\$1,697	\$1,748	\$1,801
Permit Fee	Fair market value				
Lease Agreement					
Monthly Rent	Fair market rent, but not less than \$500 per Month				
*Fair Market Values and rents are determined by staff at the time of the agreement.					

4. Service Agreements and Associated Fees

If staff determines that review of a request to access property will exceed the estimated staff and attorney time reflected by the fees in the adopted fee schedule, the applicant shall enter into a Service Agreement with the JPB. The Service Agreement sets forth the terms and conditions under which the applicant will reimburse the JPB for all actual costs of providing the services and materials required to support the applicant's proposed project (including applicable general and administrative overhead costs) and for costs associated with processing the Property Access Agreement. A Service Agreement conveys neither property rights nor right to use property.

4.1. Payment Policy

Service Agreements Valued under \$50,000:

Service Agreements with an estimated cost of less than \$50,000 or Service Agreements that will be completed in 120 days or less require full prepayment.

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Service Agreements Valued over \$50,000:

If the Service Agreement has an estimated total project cost of more than \$50,000 or will last more than 120 days, a payment option may be pre-arranged on a case-by-case basis. A minimum 10% deposit with monthly progress billings or a deposit based on a cash flow analysis with monthly progress billings (whichever is greater) may be arranged and approved at the discretion of staff. Payments under a progress billing are due 30 days following the date of invoice. All overdue balances due to the JPB not contested in writing by the due date shall bear interest at the rate of 1.5% per month, compounded monthly, from the due date. Additionally, the JPB may require that all work cease until all overdue payments are received in full.

5. Rail Corridor Use Policy Variance Fee

All proposed non-railroad uses of JPB property that are six months or longer in duration must be determined to be compatible with the railroad’s current and future uses, as demonstrated through compliance with the Board-adopted Rail Corridor Use Policy (RCUP).

The RCUP review process does not charge a fee for the initial compatibility review(s) of proposed uses. However, if a proposed use is determined to be incompatible with the railroad’s current and future needs after the initial compatibility review, the third-party applicant may request an RCUP Use Variance. A non-refundable Base Fee must be fully paid by the applicant at the time of submitting the RCUP Use Variance application. The RCUP Use Variance Review Base Fee is intended to cover JPB costs for reviewing most Use Variance applications and reflects staff and attorney time; however, in cases where a more extensive review is required, the JPB may charge an additional fee to cover costs (on top of the Base Fee). Information about the RCUP review process, including the Use Variance process and fees, can be found in the adopted Rail Corridor Use Policy, available on Caltrain’s website.

Fees for Fiscal Years 2026–2030 are set forth below for reference.

Fee	FY2026	FY2027	FY2028	FY2029	FY2030
RCUP Variance Base Fee	\$2,600	\$2,678	\$2,758	\$2,841	\$2,926

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

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**Adopt Updated Policy Regarding Conveyance of Property Interests Involving Property Owned
by the Peninsula Corridor Joint Powers Board and Fee Schedule**

Whereas the Peninsula Corridor Joint Powers Board (JPB), owns various properties, including the Caltrain right of way, which are the subject of numerous requests for use by various public and private parties; and

Whereas, in order to respond to third-party requests to enter or use JPB property, on October 7, 2010, pursuant to Resolution 2010-45, updated on April 1, 2021, pursuant to Resolution 2021-18, the Board of Directors (Board) adopted a Policy Regarding Processing of Requests for Conveyance of Property Interests Involving the Property Owned by JPB (Policy); and

Whereas, the Policy includes a Fee Schedule to allow the JPB to recoup costs associated with handling such requests and to generate revenue from the use of JPB property by third parties; and

Whereas, on February 6, 2020, pursuant to Resolution 2020-05, the Board adopted the Caltrain Rail Corridor Use Policy (RCUP) to facilitate agency review of potential uses of JPB property to ensure they are compatible with the railroad's current and future needs; and

Whereas, staff has updated the Policy to support effective and efficient leasing and property management; improve cost recovery and revenue alignment; and enhance policy clarity and usability; and

Whereas, on April 29, 2026, the Board held a public hearing to seek and consider input on the revised Fee Schedule.

Now, Therefore, Be It Resolved that the Board of Directors of the Peninsula Corridor Joint Powers Board hereby approves the updated "Policy Regarding Process of Requests for Conveyance of Property interests Involving Property Owned by the Peninsula Corridor Joint Powers Board" (now referred to as "The Peninsula Corridor Joint Powers Board Property Conveyance Policy"), and associated Fee Schedule, attached hereto; and

Now, Therefore, Be It Resolved that the Executive Director is authorized to approve or deny requests for access to, or use of, JPB property in accordance with the attached Policy.

Regularly passed and adopted this 7th day of May, 2026 by the following vote:

Ayes: Abe-Koga, Canepa, Gee, Heminger, Wagner, Burt, Medina

Noes: None

Absent: Cohen, Walton



Chair, Peninsula Corridor Joint Powers Board

Attest:



JPB Secretary