

JPB CAC

**CORRESPONDENCE
AS OF**

October 20, 2020

Givens, Patrice

From: Roland Lebrun <ccss@msn.com>
Sent: Wednesday, September 30, 2020 1:50 PM
To: VTA
Cc: Board (@caltrain.com); MTC Info; SFCTA Board Secretary; BART Board; CHSRA Board; cacsecretary [@caltrain.com]; SFCTA CAC; Caltrain, Bac (@caltrain.com)
Subject: Item 5 Authorization for P3 agreement with Google LLC for the Diridon Station area.
Attachments: 261-34.pdf; Relocated Caltrain parking lot.pdf; Staff memo.pdf

Dear Chair Chavez and Board members,

I am respectfully requesting that you defer authorizing the General Manager to enter into a P3 agreement with Google for the following reasons:

- 1) The staff report makes multiple references to a P3 agreement with Google but there is no draft agreement in the packet for review by Board members or members of the public.
- 2) This item was never presented at VTA or Caltrain subcommittees for review/approval.
- 3) The City of San Jose will execute a Development Agreement with Google with the following steps:
 - Study session (late October/early November)
 - Release of the Draft Development Agreement (DDA) for review by Council and the general public (winter 2021)
 - Council approval of the final version of the Agreement
- 4) VTA proposes to relocate two Caltrain parking lots to Cinnabar Street **without any compensation to Caltrain for loss of ridership and parking revenues.**
<http://santaclaravta.iqm2.com/Citizens/FileOpen.aspx?Type=4&ID=9889&MeetingID=3132>
- 5) There is no mention of any consideration given to the potential for shared parking locations in the area between Park and West San Fernando.
- 6) VTA does not propose any compensation to Caltrain for taking over an entire 2.39-acre Caltrain block for construction staging (APN 261-34-22 attached for your convenience).
Please note that this block is required for staging during the reconstruction of the Caltrain/HSR station
- 7) The staff memo (attached) refers to a "Downtown West application to the City of San Jose" without any link or attachment for this document.
- 8) The agenda packet does not include a link to the 2019 Google MOU.
- 9) **There is no mention of any revenues generated through the sale of the entire light rail right of way between Cahill and Delmas, including the San Fernando station.**

10) Exhibit A included in the Board packet is marked **DO NOT USE**.

Recommendations:

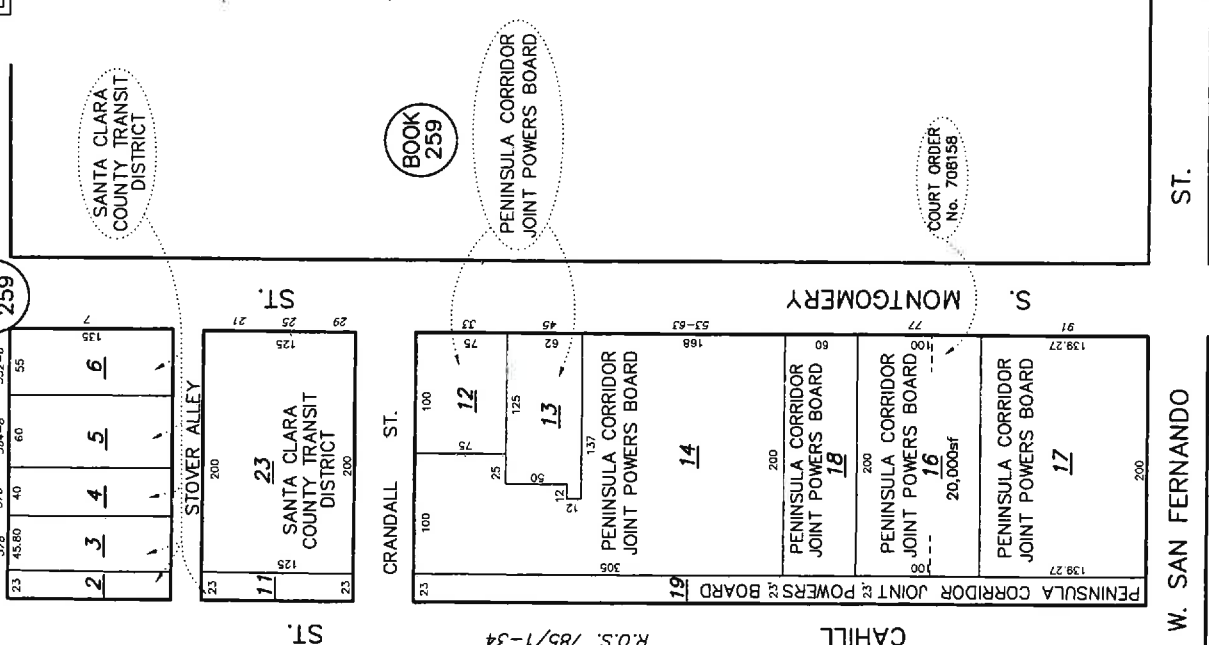
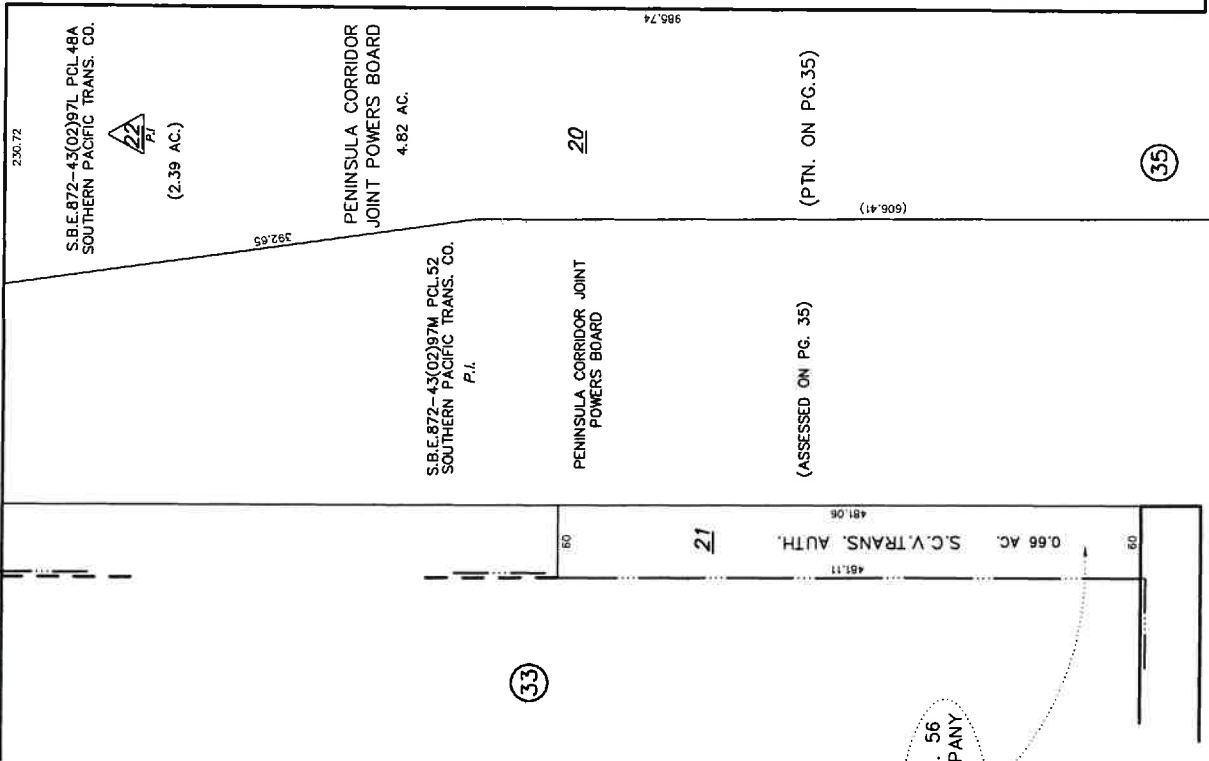
- 1) Defer approval of this item.
- 2) Direct VTA staff to focus on a P3 agreement for the Downtown VTA block to satisfy FTA's EPD requirements.
- 3) Engage Google and BART in the design of an **INTEGRATED** station designed to substantially reduce VTA's proposed BART/LRT/bus footprint at Diridon.
- 4) Consider incorporating VTA's requirements into the City of San Jose's Downtown West Development Agreement.

Respectfully submitted for your consideration.

Roland Lebrun

CC

Caltrain Board
MTC Commissioners
SFCTA Commissioners
BART Board of Directors
CHSRA Board of Directors
Caltrain CAC
Caltrain BAC
SFCTA CAC
VTA CAC



BOOK 259

BOOK 259

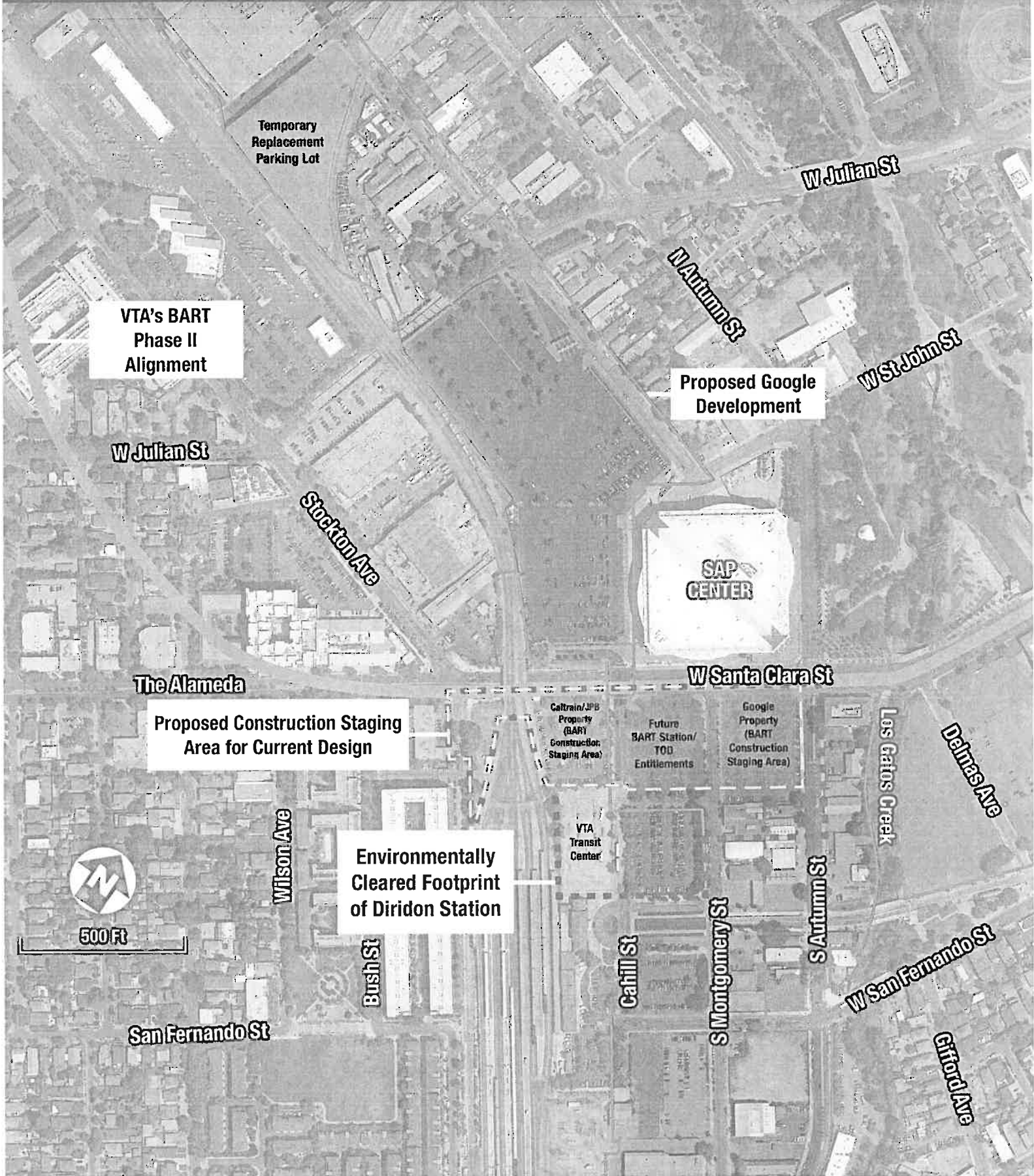
S.B.E. 872-43-(04)-97N PCL. 56
 UNION PACIFIC RAILROAD COMPANY
 MINERAL RIGHTS ONLY

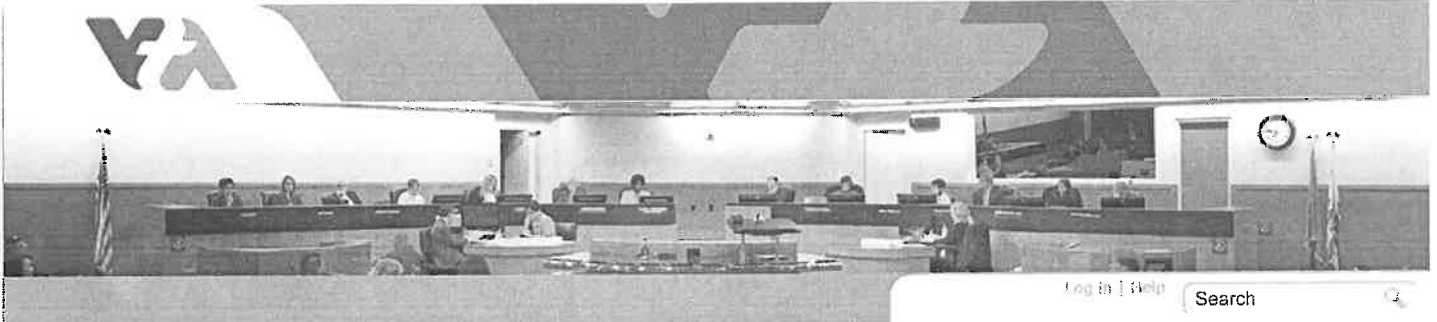
TRA DET. MAP 115
 LAWRENCE E. STONE - ASSESSOR
 Cadastral map for assessment purposes only
 Compiled under R. & T. Code, Sec. 327.
 Effective Roll Year 2013-2014

Exhibit A: Location of P3 Project Area in the Diridon Station Area



September 2020





Log in | Help Search

« Back to Main Site

Home Meetings Media Notices Search

Print This Page

Santa Clara Valley Transportation Authority



Board Action 7522

Authorization for Public-Private Partnership Agreement with Google, LLC for VTA's BART Silicon Valley Extension Phase 2

Information

Department:	Dept - Real Estate	Sponsors:	Deputy GM/Chief Financial Officer, Raj Srinath
Category:	Real Estate	Functions:	Fiscal Impact, Legal Review Required

Attachments

- Printout
- P3 Agreement Exhibit A
- Exhibit B GC Sec 84308
- Summary of Recommendation
- DO NOT USE Exhibit A

Financial Impact

Through a combination of in-kind contributions, cost savings and shifting of risk to the private partner, the P3 Agreement is projected to create up to \$75 million in value for VTA. The BART Phase 2 project budget would benefit from a reduction of this amount.

Recommendation

Authorize the General Manager to enter into a Public-Private Partnership Agreement (P3 Agreement) and execute all documents necessary to effect a P3 Agreement with Google LLC for VTA's BART Station area at West Santa Clara and Cahill Streets (Diridon BART Station).

Item Discussion

EXECUTIVE SUMMARY:

- The P3 Agreement will:
 1. Include Google's work on air rights entitlements to allow future Transit-Oriented Development (TOD) above the Diridon BART Station for up to 500 residential units in two high-rise buildings, consistent with VTA's Affordable Housing Policy. This is described in Google's "Downtown West" application to the City of San Jose.
 2. Allow VTA to realize substantial benefits from its use of Google's Lot D4 as a Construction Staging Area (CSA) for the Diridon BART Station; and
 3. Allow VTA to realize substantial benefits from a lease to enable it to meet the requirement in the BART Phase 2 environmental document to provide 450 spaces of replacement transit parking during construction.
- The P3 Agreement is intended to satisfy the requirement of the Federal Transit Administration's (FTA) Expedited Project Delivery Program (EPD) for a public-private partnership project in order to be eligible for an EPD funding award.

- Advantage of approval: this item is necessary for a successful EPD application to FTA. Disadvantage of no approval: without this P3 Agreement, VTA will incur substantially higher costs for the Diridon BART Station CSA and would incur greater expense to acquire a site and construct a parking structure for construction replacement parking. Pursuing an alternate P3 agreement would result in considerable delay for the Phase 2 extension due to the time needed to structure, solicit, and draft a new P3 agreement.
- This action advances Strategic Plan goals for innovation in transportation systems funding.

BACKGROUND:

Google's announcement of its "Downtown West" mixed-use development on 84 acres around the future Diridon BART Station, with up to 12 million square feet or more of office, residential, retail, cultural, arts, events, and other uses presents a tremendous opportunity to increase ridership and benefits from VTA's investment in the BART Phase 2 extension.

Recognition of these benefits, as well as understanding the challenges of planning and constructing two adjacent major capital projects, led VTA to enter into a Memorandum of Understanding (MOU) in early 2019 with Google. The scope of the MOU includes land use and transit synergy; high-quality placemaking and "Good TOD"; public transit and automobile parking; transit access and operations; value capture from public investment; and commitments to timely implementation and information sharing.

Since execution of the MOU, VTA and Google staff have worked extensively to evaluate a range of issues and items for potential collaboration that would be of mutual benefit to both projects. This work is shaped by a mutual understanding that both VTA's and Google's project would be improved by working together, and that without such collaboration each project would struggle with additional adverse impacts and additional costs.

DISCUSSION:

The P3 Agreement includes three items that VTA will use to satisfy the public-private partnership requirement for eligibility for an EPD Full Funding Grant Agreement. These elements are the result of extensive design and engineering coordination work between VTA and Google. The locations are shown on Exhibit A:

1. Google's work to include VTA property in its "Downtown West" planning application and environmental review for up to 500 units of high-rise residential in air rights development above the Diridon BART station; with 18,000 square feet of ground floor retail, commercial and service uses; and up to 125 parking spaces reflecting reduced need for parking. (Such a project would need to include at least 20% of the units affordable to low- and very-low income households as set forth in VTA's Affordable Housing Policy).
2. VTA's use via a lease of Google's 1.6-acre "Lot D4" east of the Diridon BART Station for VTA's use as a Construction Staging Area for BART Phase 2, at a cost that is the lesser of \$300,000 per year or five percent below fair market value pursuant to an appraisal, with three percent annual increases, through December 31, 2028. VTA would have three six-month lease options that could extend the term through June 30, 2030. This provides greater benefits to VTA than would be possible through a typical Temporary Construction Easement.
3. VTA's use via a lease of Google's warehouse building at the southwesterly corner of N. Montgomery and Cinnabar Streets. VTA would adaptively reuse the building for indoor parking to meet VTA's obligation to provide 450 transit rider and public replacement parking spaces during BART Phase 2 construction pursuant to the certified environmental document for the project. The lease term would be through June 30, 2030, with two six-month lease options that could extend the term through June 30, 2031. The lease cost is tied to VTA's transfer to Google of approximately 6,800 square feet of unused surplus land adjacent to the Vasona Light Rail tracks (disposal of this site was previously authorized by the Board of Directors), or if that is not possible \$270,000 per year or five percent below fair market value pursuant to an appraisal, with three percent annual increases.

These elements would generate significant project benefits for VTA, including project cost savings, by avoiding the need to pursue a complex and lengthy rezoning effort to provide entitlements for a TOD air rights project; acquiring essential sites for project construction in a more rapid and cost-effective manner; and avoiding the need for VTA to acquire another parcel and construct a parking structure to accommodate the 450 construction period replacement parking spaces. The total value of these benefits to VTA is estimated at up of \$75 million, based on VTA's estimated costs for alternative solutions.

In addition to the P3 Agreement items, VTA and Google are in the process of developing a sub-area Diridon Construction Management Plan to coordinate the respective projects and reduce impacts (this is in addition to the Construction Management Plan that is a mitigation requirement for the BART Phase 2 project). VTA and Google are also conducting preliminary studies to evaluate a range of design, engineering, and development considerations involved in potential future air rights TOD above the Diridon BART Station (a future Board of Directors agenda item would be scheduled prior to commencement of any development-specific negotiations or action to issue a Request for Proposals).

Following Board authorization, VTA and Google will prepare and execute the P3 Agreement so that it can be included in VTA's EPD application to FTA for a full funding grant agreement for BART Phase 2.

ALTERNATIVES:

The Board could direct staff to pursue another P3 project to qualify BART Phase 2 for an EPD submittal. This would delay submittal of an EPD application until well into 2021 or beyond.

CLIMATE IMPACT:

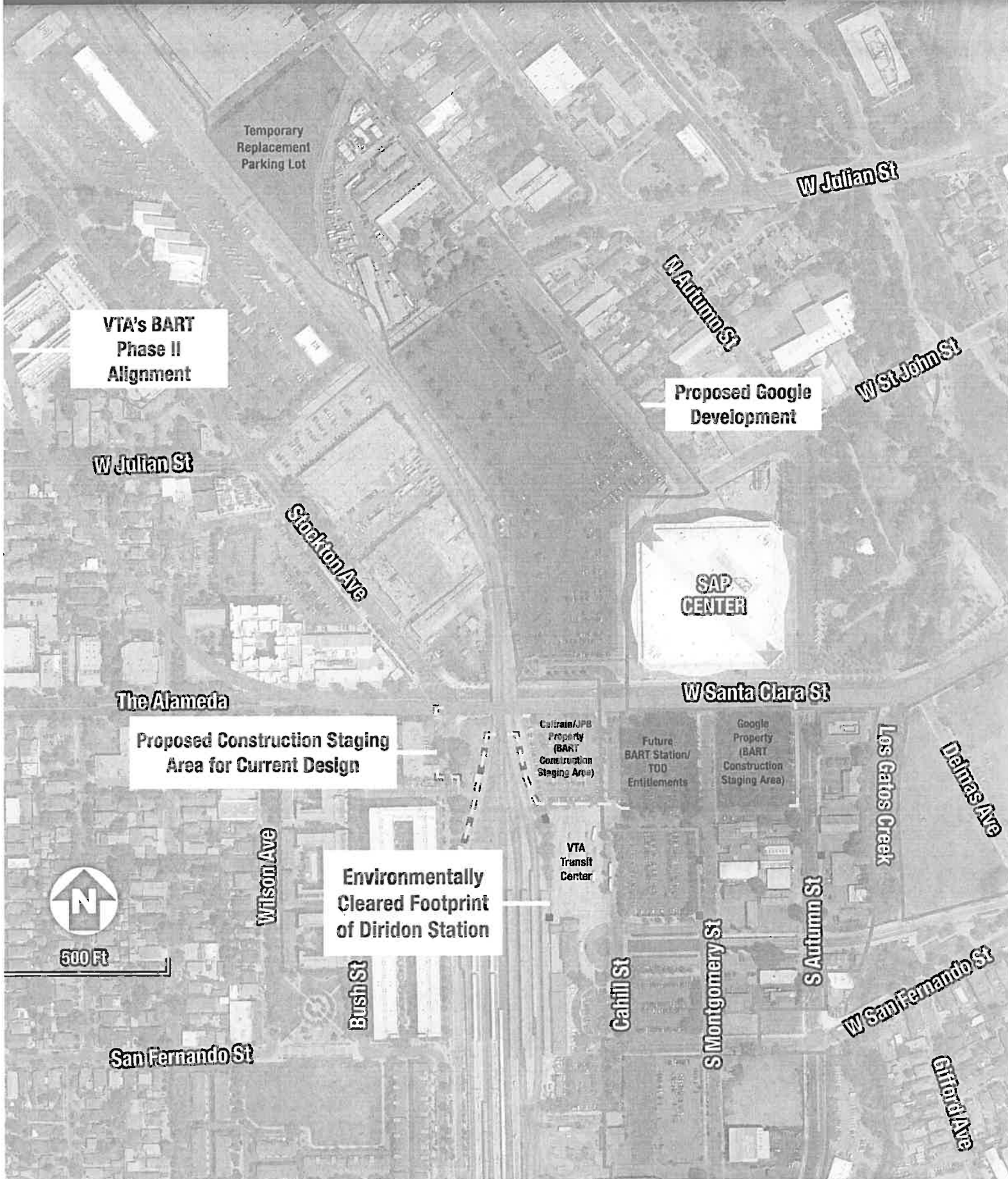
Compared to alternative parking solutions that would require VTA to construct a multi-story concrete parking structure to satisfy the construction period replacement parking mitigation, the proposed P3 Agreement would reduce Greenhouse Gas (GHG) generation.

Powered by Granicus

Exhibit A: Location of P3 Agreement Sites in the Diridon Station Area



September 2020



Givens, Patrice

From: Roland Lebrun <ccss@msn.com>
Sent: Wednesday, September 30, 2020 4:37 PM
To: Board (@caltrain.com)
Cc: SFCTA Board Secretary; MTC Info; VTA; cacsecretary [@caltrain.com]; SFCTA CAC
Subject: Item 5 Caltrain Bylaws proposed amendment
Attachments: Caltrain 1996 agreement - Managing agency responsibilities.pdf

Dear Chair Pine,

Further to SamTrans' failure to prepare balanced budgets suitable for Board approval, please consider agendizing a motion amending Section 6 (C) (x) of the JPB bylaws (original attached for your convenience) to read as follows:

"Prepare balanced capital and operating budgets for presentation to the JPB"

Thank you in advance for your prompt attention to this matter.

Roland Lebrun

CC:

SFCTA commissioners
MTC commissioners
VTA Board of Directors
Caltrain CAC
SFCTA CAC

B. SamTrans hereby is appointed as Managing Agency for the duration of the term, provided, however, that the JPB may replace SamTrans as the Managing Agency upon one (1) year's prior written notice given at the end of any fiscal year after SamTrans has been fully repaid monies advanced by it to cover the ROW purchase price.

C. The Managing Agency shall be delegated the following authority and required to perform the following responsibilities:

(i) Award the operating contract for the PCS, subject to the concurrence of the JPB as provided in Section 5 above, and administer and modify said contract consistent with the JPB's operating budget;

(ii) Maintain and manage the ROW and other system assets unless the administration of particular station sites is delegated by the JPB to an individual Member Agency.

(iii) Implement capital programs contained in the approved PCS capital budget unless the administration of particular capital projects is delegated by the JPB to an individual Member Agency;

(iv) Seek, obtain and administer grants;

(v) Develop and implement marketing programs;

(vi) Prepare and submit financial reports;

(vii) Recommend changes in fare structure to the

JPB;

(viii) Recommend changes in scheduling and levels of service to the JPB;

(ix) Prepare and implement changes in scheduling other than those requiring the approval of the JPB as provided in Section 5(C) above.

(x) Prepare capital and operating budgets for presentation to the JPB;

(xi) Keep staff of Member Agencies advised on PCS matters; and

(xii) Report regularly to the JPB regarding PCS issues.

Section 7. FINANCIAL COMMITMENTS

A. Operations

Each Member Agency agrees to share in the operating costs associated with the PCS. Member Agency subsidies for the Main Line Service shall be based on the existing passenger boarding formula which is predicated upon county of origin a.m. peak hour boardings of passengers as adjusted annually prior to the JPB's adoption of the operating budget. SCVTA shall be responsible for all net operating costs of the Gilroy Service based upon the fully allocated cost methodology.

B. Capital Projects

The JPB and the Member Agencies shall use their best efforts to fully fund from state, Federal and JPB Proposition 116 resources, capital projects contained in the approved capital budget. If approved by Member Agencies pursuant to Section 5(D),

Givens, Patrice

From: Eric Young <eric.young@sfcta.org>
Sent: Wednesday, October 07, 2020 12:39 PM
To: Brian David Shaw; Communications
Cc: cacsecretary [@caltrain.com]
Subject: Re: Caltrain CAC member interview

CAUTION: This email originated from outside of the San Mateo County Transit District. Unless you recognize the sender's email address and know the content is safe, do not click links, open attachments or reply.

Brian,

Thanks for your response. Will you please propose some 30-minute time slots over the next 5-7 days that work for you for a phone call?

During the phone call, we'd like to get your response to the following two questions regarding Caltrain Electrification:

1. What's your connection to Caltrain Electrification? (This could cover your involvement on the CAC, or you being a Caltrain rider, or both if you wish.)
2. How will the project be beneficial?

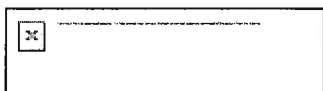
We will include a portrait photo of you on the website and we can arrange to have a photographer meet with you and take a socially distanced picture.

Thanks again and hope to hear from you soon.

Eric Young

Director of Communications

cell (415) 306-4509; office (415) 522-4816; eric.young@sfcta.org



sfcta.org | [sign up for our newsletter](#)

On Wed, Oct 7, 2020 at 9:32 AM Brian David Shaw <bshaw2@stanford.edu> wrote:

Eric,

Caltrain asked if I would be available to speak you regarding your email below. I am currently the chair of the Caltrain CAC, representing San Francisco.

I'd be happy to meet with you via Zoom or phone.

Thanks,

BRIAN SHAW

Executive Director

bshaw2@stanford.edu | 650.723.5815

Stanford | Transportation

From: Eric Young [<mailto:eric.young@sfcta.org>]
Sent: Friday, October 02, 2020 2:41 PM
To: cacsecretary [@caltrain.com]; Paige Miller
Subject: Caltrain CAC member interview

Hello, Committee Secretary:

My agency is creating a website to showcase how transportation projects funded by San Francisco's transportation sales tax has improved people's lives. The website will include profiles of people with their picture and a brief interview. We're looking to interview someone who will benefit from future Caltrain Electrification.

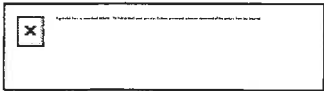
Will you please ask the San Francisco members of the Caltrain CAC if one of them is interested in the interview and photo? The interview can be done via phone and will take about 15 minutes and we can arrange to have a photographer meet them at a location convenient to them. We'd like to do the interview in the next two weeks if possible.

(As a thank you for their time, we're offering interviewees a \$20 Clipper Card, \$20 Cal Academy gift certificate, or a transit pin.)

Thanks so much for your time and consideration - and I am happy to answer any questions.

Eric Young
Director of Communications

cell (415) 306-4509; office (415) 522-4816; eric.young@sfcta.org



sfcta.org | [sign up for our newsletter](#)

Givens, Patrice

From: Linehan, Amy
Sent: Friday, October 16, 2020 10:46 AM
To: anna.dagum@gmail.com; adrian.brandt@gmail.com; david.tuzman@gmail.com
Cc: Givens, Patrice; Navarro, Joe
Subject: SamTrans Measure W - Citizens' Oversight Committee Recruitment

Anna, Adrian and David:

Hope you are doing well. We wanted to reach out to you regarding an Independent Citizens' Oversight Committee (COC) that SamTrans is establishing in accordance with Measure W. The COC will receive findings of an independent audit, hold a public hearing, and issue a report annually on how Measure W funding is being spent and whether those expenditures are consistent with the requirements of the law.

There are 15 positions that need to be filled and we were hoping you would consider applying for the Caltrain Citizen Advisory Committee (representing San Mateo County) position.

Applicants are encouraged to apply for all positions they are eligible for:

- San Mateo County Transit District's Citizens Advisory Committee
- San Mateo County Transportation Authority's Citizens Advisory Committee
- Caltrain Citizen Advisory Committee representing San Mateo County
- City/County Association of Governments of San Mateo County's Bicycle and Pedestrian Advocacy Committee
- Private-sector employer
- Organized labor
- Environmental or sustainability related organization
- People with disabilities
- Youth transit riders
- Senior community
- San Mateo County Supervisorial District 1
- San Mateo County Supervisorial District 2
- San Mateo County Supervisorial District 3
- San Mateo County Supervisorial District 4
- San Mateo County Supervisorial District 5

The application period is now open and will close on October 30, 2020. More information about the COC and as well as the application is available at www.samtrans.com/coc. It's an excellent opportunity to help ensure that public funds are being spent effectively and in accordance with the law. We hope you will consider applying. Please don't hesitate to let me know if you have any questions or need additional information. Happy to walk you through it a bit more. Thanks!

Best,
Amy

Amy Colleen Linehan, Public Affairs Specialist
1250 San Carlos Ave., San Carlos, CA 94070
Cell: 650.418.0095
San Mateo County Transit District



