

**Peninsula Corridor Joint Powers Board
Advocacy and Major Projects (AMP) Committee
1250 San Carlos Avenue, San Carlos CA 94070**

Minutes of March 29, 2023

MEMBERS PRESENT: S. Heminger (Chair), J. Gee

MEMBERS ABSENT: C. Chavez (Vice Chair)

STAFF PRESENT: A. Aknin, M. Bouchard, D. Chazan, C. Fromson, J. Harrison, S. Sargent,
M. Tseng, S. Wong

1. Call to Order/Pledge of Allegiance

Chair Steve Heminger called the rescheduled meeting to order at 10:30 am and Director Jeff Gee led the Pledge of Allegiance.

2. Roll Call

Deputy District Secretary Margaret Tseng called the roll and confirmed a Board quorum was present.

3. Public Comment for Items Not on the Agenda

There were no public comments.

4. Public Meeting Minutes of February 22, 2023

Motion/Second: Gee/Heminger

Ayes: Gee, Heminger

Noes: None

Absent: Chavez

Public Comment

Jeff Carter, Millbrae, commented on not seeing video during the pledge of allegiance and roll call.

5. State and Federal Legislative Update and Approval of Legislative Proposal: Support Assembly Bill (AB) 463 (Hart)

Casey Fromson, Chief Communications Officer, provided the presentation, which included the following:

- President Biden's Fiscal Year 2024 Budget included flexibility for transit agencies
- Federal Transit Administration (FTA) rail replacement grant program application to replace three diesel trains with new electric multiple units (EMUs)
- Federal Railroad Administration (FRA) Corridor ID (Identification) Program has funds available for future application
- Caltrain plans to apply for the Federal-State partnership for Intercity Passenger Rail Grant Program for the Diridon Station

- State Budget is where more focus is that will help with the transit operating fiscal cliff.
- California Air Resources Board (CARB) in-use locomotive regulation
- Support for Assembly Bill (AB) 463 prioritization of electric service for the operation of public transit vehicles.

Chair Heminger noted the presence of Directors Burt and Zmuda as observers in the meeting.

Public Comment

Adina Levin, Friends of Caltrain, commented on the earlier mention of the fiscal cliff and seeking state funding options with support from legislators that support the issue, but also encouraged them to fight for this, and the need to finish electrification and have funding to run the trains.

Motion/Second: Gee/Heminger

Ayes: Gee, Heminger

Noes: None

Absent: Chavez

6. Diridon Transit-Oriented Development (TOD) and Business Case Update

Nadine Fogarty, Deputy Director, TOD and Real Estate Planning, provided the presentation, which included the following:

- Future development planning in the Diridon Station Area and process included project entitlements, request for proposal, and entering a long-term ground lease
- Key benefits - ongoing revenue, increased ridership, and \$12 million contribution toward affordable housing
- Guiding policies – Caltrain Rail Corridor Use policy and the Caltrain TOD policy
- Key project details – securing 1.1 million square feet of commercial space, one-acre open space, and two buildings with underground parking
- Prioritized pedestrian, bike, and transit access
- Community outreach and feedback
- Diridon TOD real estate process and assessment to see if the project should proceed

The Board had a discussion and staff provided further clarification in response to the Board members comments and questions, which included the following:

- Budget recovery strategy - the project more than makes up for the cost of getting the entitlement and the slight development risk in exchange for high rents
- Life sciences application options in the entitlement process
- Have a transit operator build car parks with the same reduced parking ratio in downtown
- San Jose minimum and maximum parking requirements and Caltrain to shift parking to another site if it does not fulfill the minimum onsite parking requirements
- Provide a future parking update
- Google's plans for this project

Public Comment

Adrian Brandt, San Mateo County, commented on exploring opportunities to lower parking numbers for the project and to attract tenants that use public transit.

Adina Levin, Friends of Caltrain, spoke in support of decreasing parking, and constraints with the San Jose Sharks requiring buildings to offer more parking for public parking.

Melissa Reggiardo, Manager, Caltrain Planning, provided the second part of the presentation that included the following:

- Diridon Integrated Station Concept (DISC) Plan, scope and timeline of the business case, and governance work programmed within business case.
- Concept layout overview, Cooperative agreement (2018- current), and conceptual design.
- Outstanding questions to resolve include the potential Central Equipment & Maintenance Facility (CEMOF) relocation, moving a historic depot, PG&E (Pacific Gas & Electric) substation relocation, and light rail stop reconfiguration.
- Scope and timeline of the business case
- Phase 1 – funded scope and complete at the end of 18 months
- Phase 2 – unfunded and complete at the end of 24 months
- Governance analysis, approach, evolution, and assessment of governance structures

The Board had a discussion and staff provided further clarification in response to the Board members comments and questions, which included the following:

- Budget and partner resources
- JPB is the primary owner of the real estate with some Valley Transportation Authority (VTA) ownership (and BART is not listed as a partner as they are represented by the VTA)
- Consider leasing to a master developer as part of the agreement
- Director Heminger to serve as a Caltrain representative on the Diridon Joint Powers Advisory Board and to hear updates on projects in the Diridon station area.

Public Comment

Adrian Brandt, San Mateo County, commented on a change to the arrow displayed on slide 27.

7. San Francisco Downtown Rail Extension (DTX) Project Update

Dahlia Chazan, Deputy Chief Caltrain Planning, provided the presentation, which included the following information:

- Rebranding from Downtown Extension to The Portal
- Transbay Joint Powers Authority (TJPA) is seeking funding for the DTX project from the New Starts program, which could fund up to 50 percent of total project capital cost
- Caltrain and TJPA are developing a Master Cooperative Agreement (MCA) to formalize their respective roles
- Caltrain staff plans to bring the MCA to the Board by August 2023 for review and approval

- Cost neutrality and project definition with three items need to be incorporated into MCA and as defined by Federal Transit Administration (FTA)
- Enabling work and process for design and construction

The Board had a discussion and staff provided further clarification in response to the Board members comments and questions, which included the following:

- TJPA is the office owner and Caltrain is the first tenant operator; it is not the tenant's responsibility to take care of the building
- Time and money are a major factor – uncertainty of when High-Speed Rail will get here and why spend money on level boarding if the current train set may need to be replaced
- Consider a passenger surcharge to support Caltrain service and asset management for Transbay Joint Powers Authority (TJPA)
- High-Speed Rail paying Caltrain back for its initial investment and project benefits for Caltrain

Public Comment

Adrian Brandt, San Mateo County, commented on the increase in value proposition for Caltrain, High-Speed Rail reimbursement, and passenger fees.

Adina Levin, Friends of Caltrain, commented on language of funding sources other than Caltrain, especially for “looking forward” projects, the affordability of surcharges, and increasing and diversifying ridership goals.

Jeff Carter, Millbrae, commented on the fare surcharge to not discourage use of the new extension, distance-based fares, and level boarding.

Gerald Cauthen, President of Bay Area Transportation Working Group, commented on level boarding dependent on when High-Speed Rail arrives, the value to Caltrain, especially if linked to Market Street in the future, and being fair in negotiations between the two projects.

8. Metropolitan Transportation Commission (MTC)/Regional Update

Executive Director Bouchard noted the material was provided in the agenda packet and Chair Heminger moved on to the next agenda item.

9. Committee Member Requests

Director Gee requested bringing up passenger surcharges for the San Francisco DTX project development discussions.

10. Date/Time of Next Regular AMP Committee Meeting: Wednesday, April 26, 2023 at 3:30 pm.

11. Adjourn

The meeting adjourned at 12:05 pm.