

Peninsula Corridor Joint Powers Board Finance Committee Update

July 24, 2023



**SAN FRANCISCO
RAILYARDS**



Today's Discussion

- July 2019—JPB executed MOU with Prologis for reimbursement of PBC costs
- Costs covered up to four scenarios for comparison
- Work is currently underway
- Caltrain and Prologis have agreed that additional work is needed

Current Request



Amend MOU with Prologis



Authorize receipt of funds from Prologis

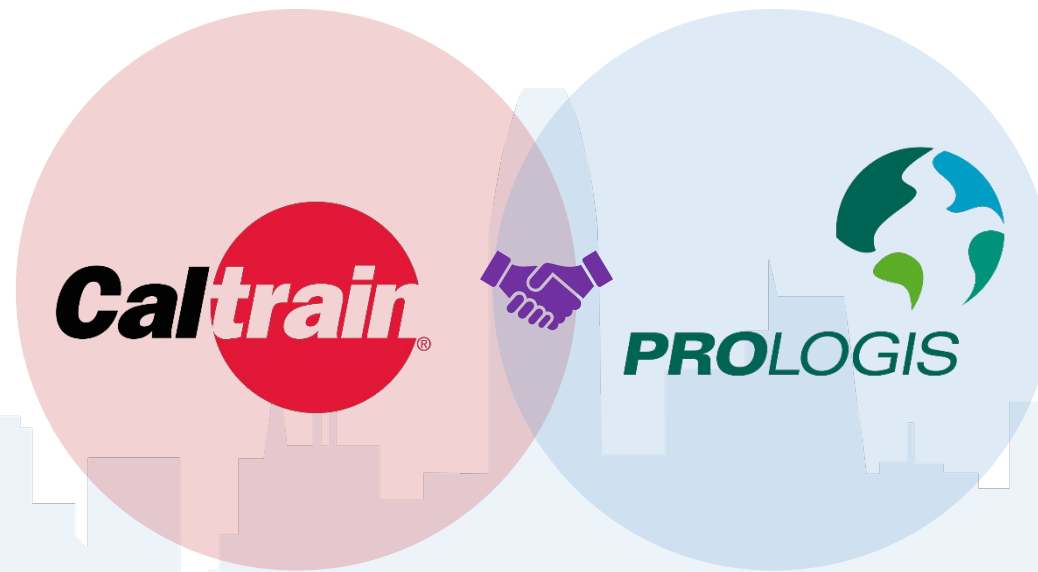
Background

- San Francisco Railyards is a 20-acre site, includes 4th & King Station
- Railyard and station do not meet long-term user experience and operation needs
- Property is owned by Prologis and subject to a perpetual operating easement held by JPB



Preliminary Business Case (PBC)

Pursuant to the 2019 MOU, Caltrain and Prologis are working jointly to advance the Preliminary Business Case (PBC)



The PBC is a quantitative analysis of options for enabling commercial transit-oriented development of the site, while maintaining Caltrain's ability to continue serving passengers in accordance with the 2040 Service Vision

Preliminary Business Case (PBC)



The Preliminary Business Case process is a data-driven approach to evaluating benefits, costs, and risks of alternative options for the future of the San Francisco Railyards



The PBC will:

- Identify *trade-offs and impacts of options* per the project's goals and objectives
- Identify **value or benefit** of options
- Enable **informed decision-making** with evidence and data
- Allow for **iteration** to refine the inputs/options
- Inform which **collection of components** should move toward a more detailed analysis



The PBC will not:

- Make decisions for either Caltrain or Prologis

Phasing

Prologis and Caltrain have jointly agreed on the importance of a phasing analysis to:

Assess the ability to implement a successful first phase of development while maintaining rail service



This work was not contemplated by the original MOU

Phasing Costs

- The cost of the phasing analysis is **\$274,174**
- Prologis has agreed to reimburse Caltrain for this amount



The MOU needs to be amended to reflect this additional scope and cost

Caltrain Costs

- **Caltrain will also be expending an additional \$1.1 million for program management support throughout the PBC process, including support for the phasing effort**



The MOU needs to be amended to reflect additional expenditures by Caltrain

Administrative Updates



Add two years to the MOU term



Update points of contact for Caltrain due to staff changes

Budget Impact



Original Board Approval in Fiscal Year (FY) 2022 for a budget of \$2,000,000 funded by Prologis.



In FY 2023, \$250,000 was added to the project funded by General Capital Funds, increasing the total project budget to \$2,250,000.

Resolution



Authorizes Executive Director to execute Amendment #1 of the MOU



Authorizes receipt of funds from Prologis

Questions and Discussion

Thank you for your time



**SAN FRANCISCO
RAILYARDS**

