

Caltrain Headquarters Update

PENINSULA CORRIDOR JOINT
POWERS BOARD

JUNE 6, 2024



Overview

- Background and efforts to date
- Headquarters space needs and key considerations
- Evaluation framework and property search
- Next steps

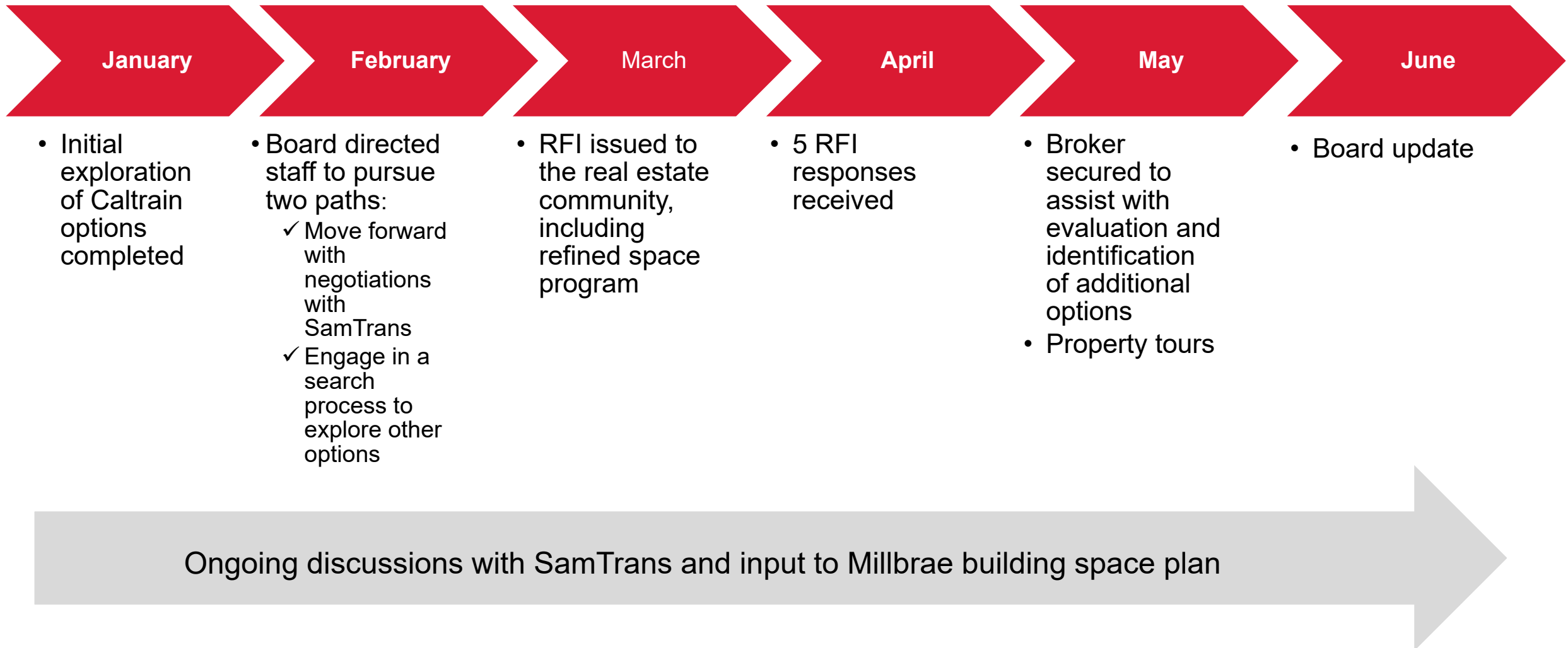
SamTrans New Millbrae Headquarters

- In December 2023, the District entered a lease-to-purchase agreement for a new headquarters building located adjacent to the Millbrae Caltrain Station
- SamTrans is in the process of refining the design for build-out of the interior space
- Expected move in 2025
- Caltrain has the option to co-locate with SamTrans or to establish a separate headquarters location



FUTURE SAMTRANS HEADQUARTERS
166 NORTH ROLLINS ROAD, MILLBRAE

Caltrain Efforts to Date



Current and Planned Caltrain Facilities

Future Portal Project Office – staff TBD

SF Railyards – 91 staff
(1 JPB + 90 TASI)

3rd Street Warehouse* – staff TBD

Millbrae – 2 staff
(all TASI)

San Carlos HQ – 90 staff
(all JPB)

Menlo Park Campus – 194 staff
(15 JPB + 179 TASI)

CEMOF – 228 staff
(2 JPB + 226 TASI)

Diridon Station – 50 staff
(all TASI)

Future Diridon Project Office – staff TBD

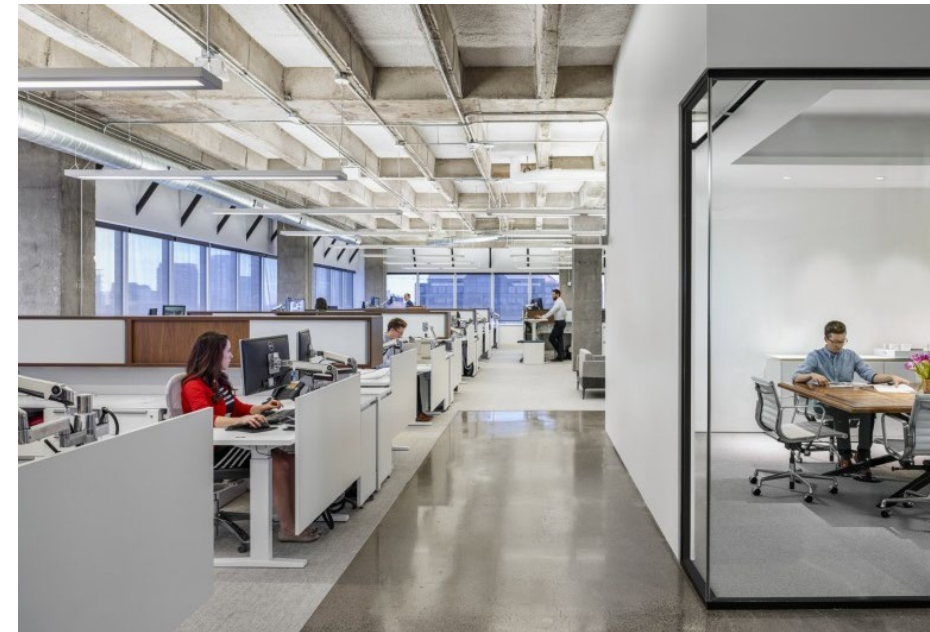
Gilroy – 12 staff
(all TASI)

*Temporary location to be replaced with future O&M facility
Note: List does not include PCEP, project trailers



Preferred HQ Space Program

- 27,000 – 30,000 square feet
- Modern office layout with workstations and offices for up to 163 staff
- Hoteling workstations for visiting staff and consultants
- 12 conference/huddle rooms in a range of sizes
- Layout/collaboration areas
- Breakroom
- Quiet/wellness room
- Mothers' room
- Copy/printer areas
- Storage



Staff Preferences from Surveys

SamTrans conducted two staff surveys to gather input about preferences for a future headquarters office, and provided the results specifically for Caltrain staff

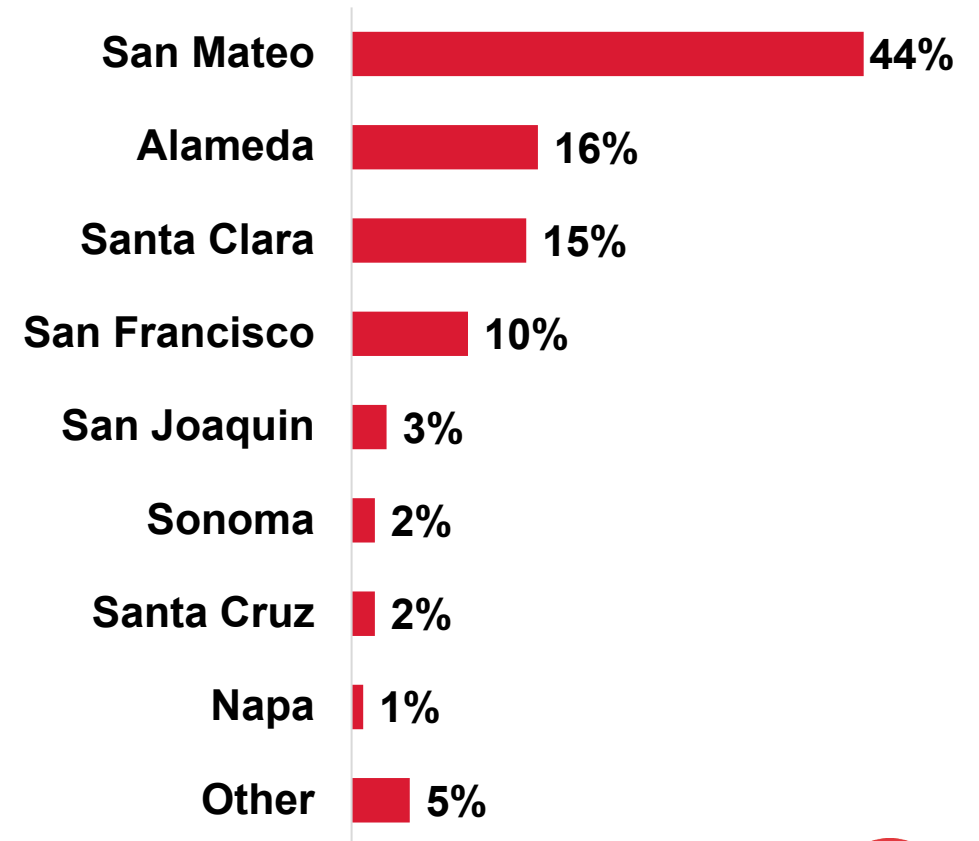
Key survey findings:

- 48% ranked access to public transit as the most important amenity for a new office space, followed by free parking (33%)
- 40% currently drive alone to work
- 57% commute more than a half hour, and 19% commute over one hour
- **Shorter commutes, better transit connections and higher quality office space** would encourage staff to come to the office more often
- Desired office features include **natural light, assigned desks, fitness facilities, outdoor spaces, and proximity to restaurants and services**

Staff Commutes

- We have obtained zip code data for current staff home locations, which can be used to estimate average commute times to potential office locations
- In general, locations in the central to northern part of the Caltrain corridor tend to offer shorter commutes for most staff
- Millbrae and San Francisco locations both benefit from access by both BART and Caltrain; however, San Francisco is farther for staff commuting from the South Bay

Staff Home Locations by County



Financial Considerations

- Caltrain's cost for headquarters office space is currently low, and will increase significantly in any future scenario
 - Caltrain currently pays approximately \$585,000 in annual building costs, including depreciation and facility maintenance
 - This includes the cost of Caltrain dedicated space as well as Caltrain's share of building-related costs associated with shared services staff
- Our assessment of the financial impact of Caltrain's headquarter options will include calculation of both direct costs for Caltrain space and shared services costs
 - This includes estimating any additional costs to provide shared services if Caltrain were to locate separately (e.g., one-time costs for equipment or ongoing costs associated with travel time)
- We have requested estimates of new shared services costs in the new District headquarters and are also evaluating them independently
- With any move, initial estimates suggest that total costs could increase by an estimated \$2M to \$3M annually(1)

(1) For illustration purposes only; Subject to change. Actual results will vary.



Evaluation Framework

Category	Factors
Cost	<ul style="list-style-type: none">• Building improvement costs• Rent• Operating and maintenance expenses• Other costs
Staff Retention and Recruitment	<ul style="list-style-type: none">• Impact on staff commutes• Proximity to Caltrain station• Proximity to shared services staff• Neighborhood amenities (restaurants, cafes, etc.)• Building amenities (gym, outdoor areas, etc.)• Access to regional workforce
Building Suitability for Caltrain Needs	<ul style="list-style-type: none">• Condition of building/space• Ability to provide board room• Parking• Ability to expand if needed• Other considerations

Property Search Results To Date

- 5 RFI responses + 28 additional properties = 33 identified for initial consideration in addition to the Millbrae option
- Properties were narrowed from 33 to 16 based on an initial screening
- Staff and consultants toured these properties, which were in a variety of locations along the Caltrain corridor from San Francisco to San Jose

Next Steps

- Original schedule was to bring recommendations regarding next steps to Board in June
- Given that we were not able to secure a contract for broker assistance until May, the new proposed schedule is to bring a short list of properties for closed session discussion with the Board in August, followed by final Board decision in September
- Over the summer, staff and consultants will continue to evaluate Caltrain's options including continued discussions with SamTrans about the option to co-locate in Millbrae
- We will also continue to provide updates to staff as we proceed



Thank you!

