

# AMP Briefing

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## *SF Railyards Preliminary Business Case & Cooperation Agreement*

OCTOBER 30, 2024



# Staff Recommendations

- 1 Support JPB approval of the Cooperation Agreement between Caltrain and Prologis**
- 2 Prepare amendment to the Capital Budget to enable the receipt of funds from Prologis in the amount of \$1.555M.**

# Agenda



Project Background



Rationale and Vision



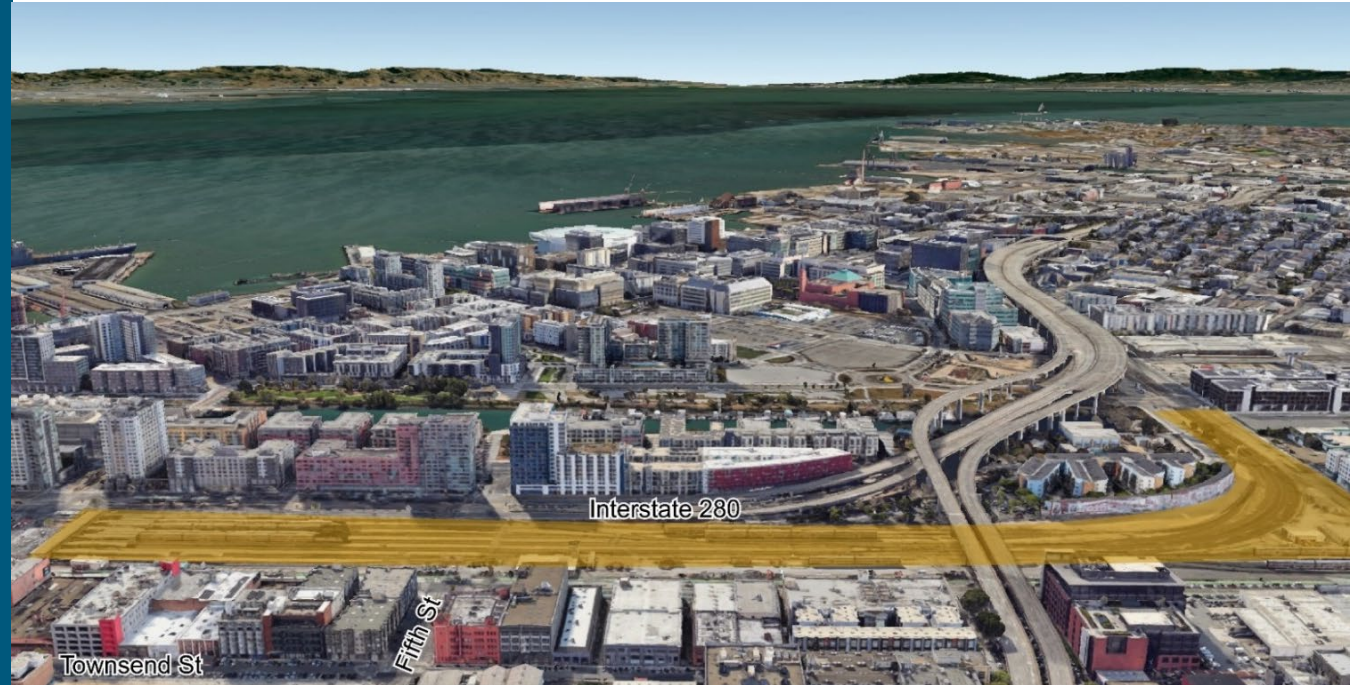
Findings



Action: *SF Railyards  
Cooperation Agreement*



Next Steps





# Project Background

# Who's Involved?



Rail Operator/  
Perpetual Operating  
Easement



**PROLOGIS**

Property Owner/  
Developer



Land Use  
Approvals

# Map of SF Projects



- SF Railyards at 4th & King Caltrain Station
- DTX / Downtown Extension Tunnel (pre-construction)
- PAX / Pennsylvania Ave. Extension (under study)
- Existing Caltrain Line
- Existing Railroad Crossings

0 0.25 0.5  
Miles

# Preliminary Business Case (PBC)



The Railyards PBC sought to identify a technically feasible configuration to accommodate Caltrain's operating needs and enable commercial development.

## ✓ The PBC:

- Vetted **24+ alternative** configurations
- Created **3 end conditions**, enabling high-density commercial development
- Phase 1 enables **early development** and **avoid impacts on DTX timeline**
- Need for **moving train storage offsite** to **enable full development to meet the City's goals**
- Options that demonstrate **shared goals** among: Caltrain, Prologis, City, SFCTA, TJPA, HSR
- Foundation for **further refinement** of concepts to **advance toward a funding strategy and implementation**



# Rationale and Vision



# Why pursue this project?



Caltrain wants to improve the passenger experience, as soon as possible

## Critical improvements Caltrain requires at 4<sup>th</sup> & King:

- Modernized rail infrastructure at the Railyards
- Modernized north-end storage solution
- Modernized station, with supporting facilities for crewing and maintenance

## Public Private Partnership Benefits to Caltrain:

- New landmark, character-defining station, developed through a public-private partnership
- Regionally important TOD that will increase ridership
- Improved passenger experience and connectivity to other modes of transit
- Possible contribution to operating revenue

**From a  
temporary  
station...**



## PROJECT VISION

# To a world class transit experience



**2024**

The Railyards are no longer at the "edge" – now, very much at the center

Railyards ?

Ballpark Thriving

Mission Rock Phase 1 complete

Central SOMA Plan Adopted

Showplace Square Plan Adopted

Mission Bay Nearly built-out

...What will come next?





# Findings

# PBC Findings: Design

## Core Criteria



Allow for future Caltrain operations to meet the **Adopted Service Vision**



Enable a **feasible real estate development**



**Identify a Phase 1** that can bring a modern station, tracks, and ensure continuous operations independent from other projects

## Outcomes

**A**

Two **Phase 1** development rail scenarios identified

**B**

**Three potential scenarios** identified for **Phase 2**

**C**

Full development of the Railyard **requires train storage to move to an offsite location**, and it may be needed for Phase 1

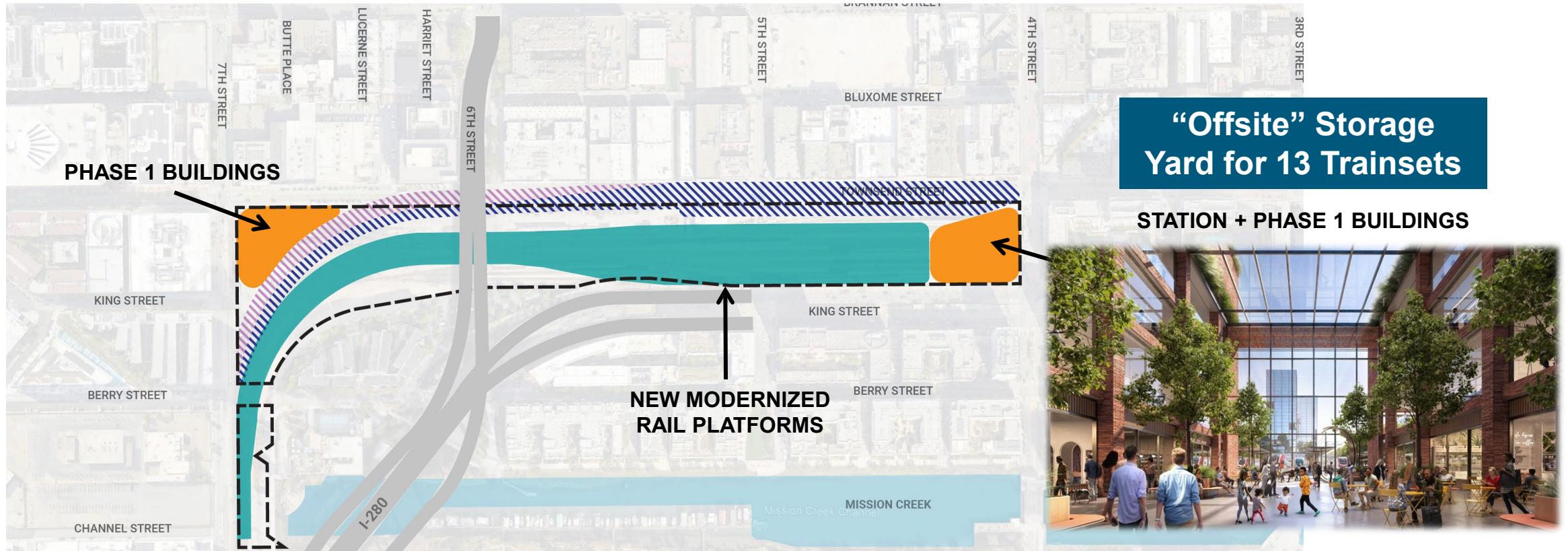
**D**

**All Phase 1 & 2 options show promise and opportunity at concept stage. Additional study and refinement warranted.**

# Phase 1 (Early Development) - Options



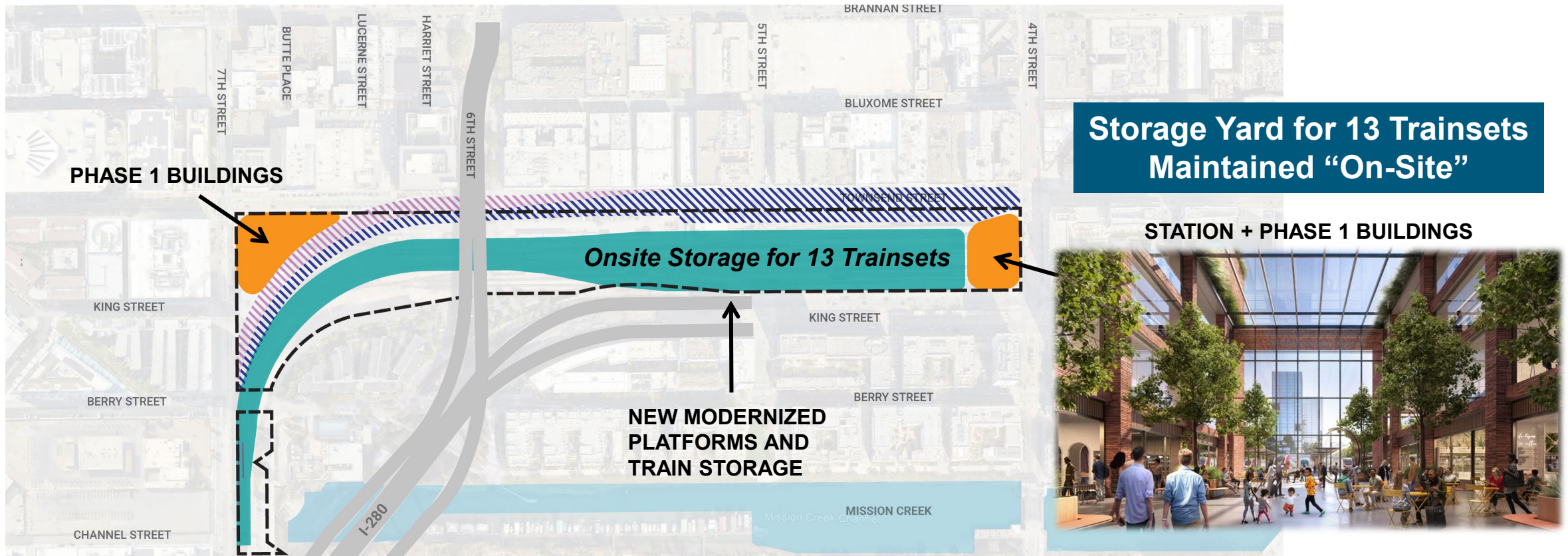
## Concept 1 - Phase 1 (requires offsite storage)



# Phase 1 (Early Development) - Options



## Concept 2 - Phase 1 (storage maintained on-site)

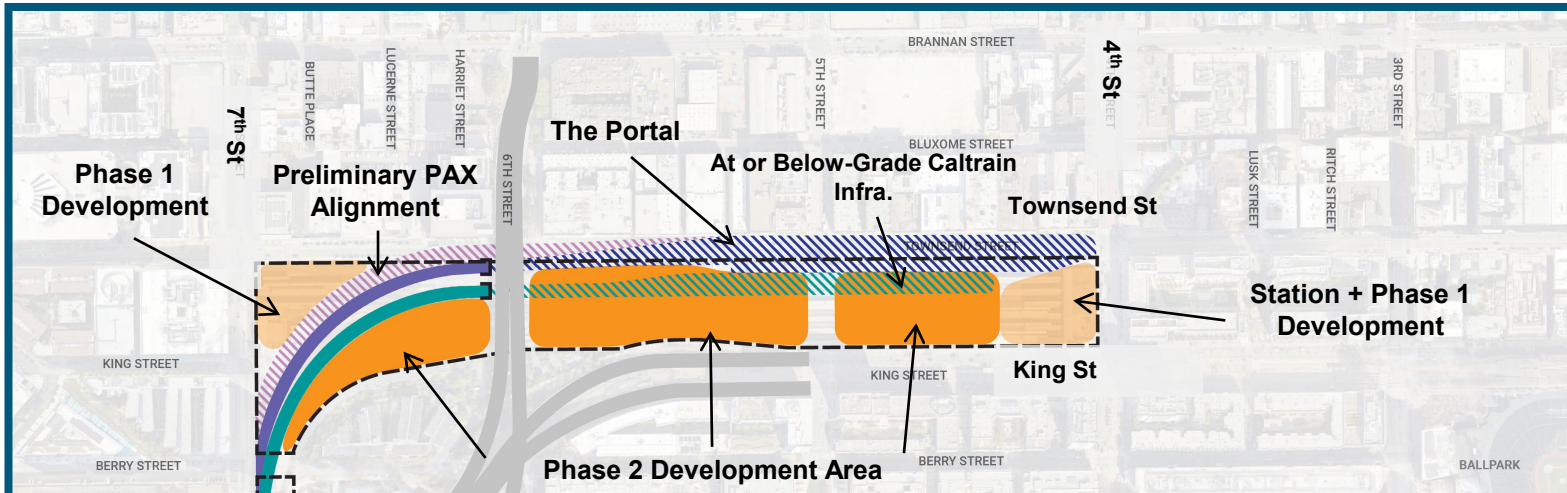




# Three Scenarios for Phase 2 (Full Buildout)



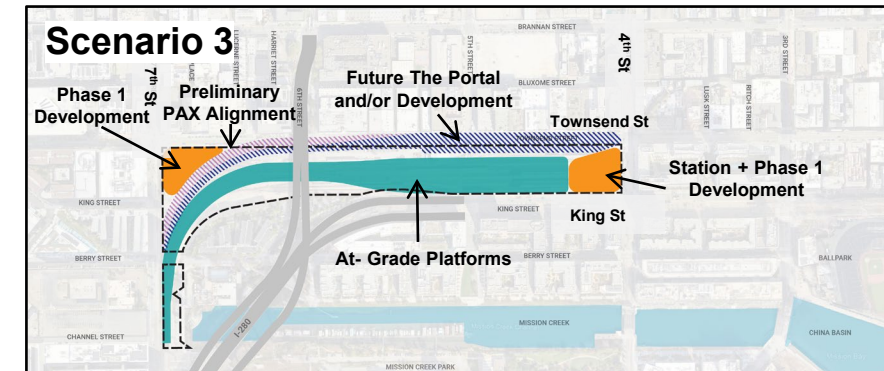
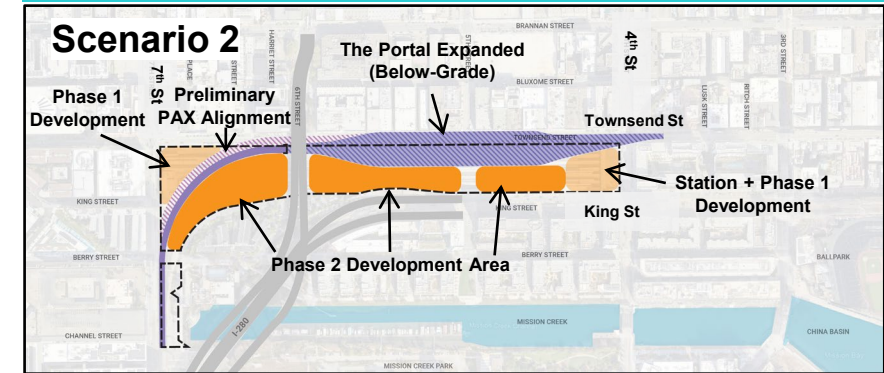
## Scenario 1 (two variations)



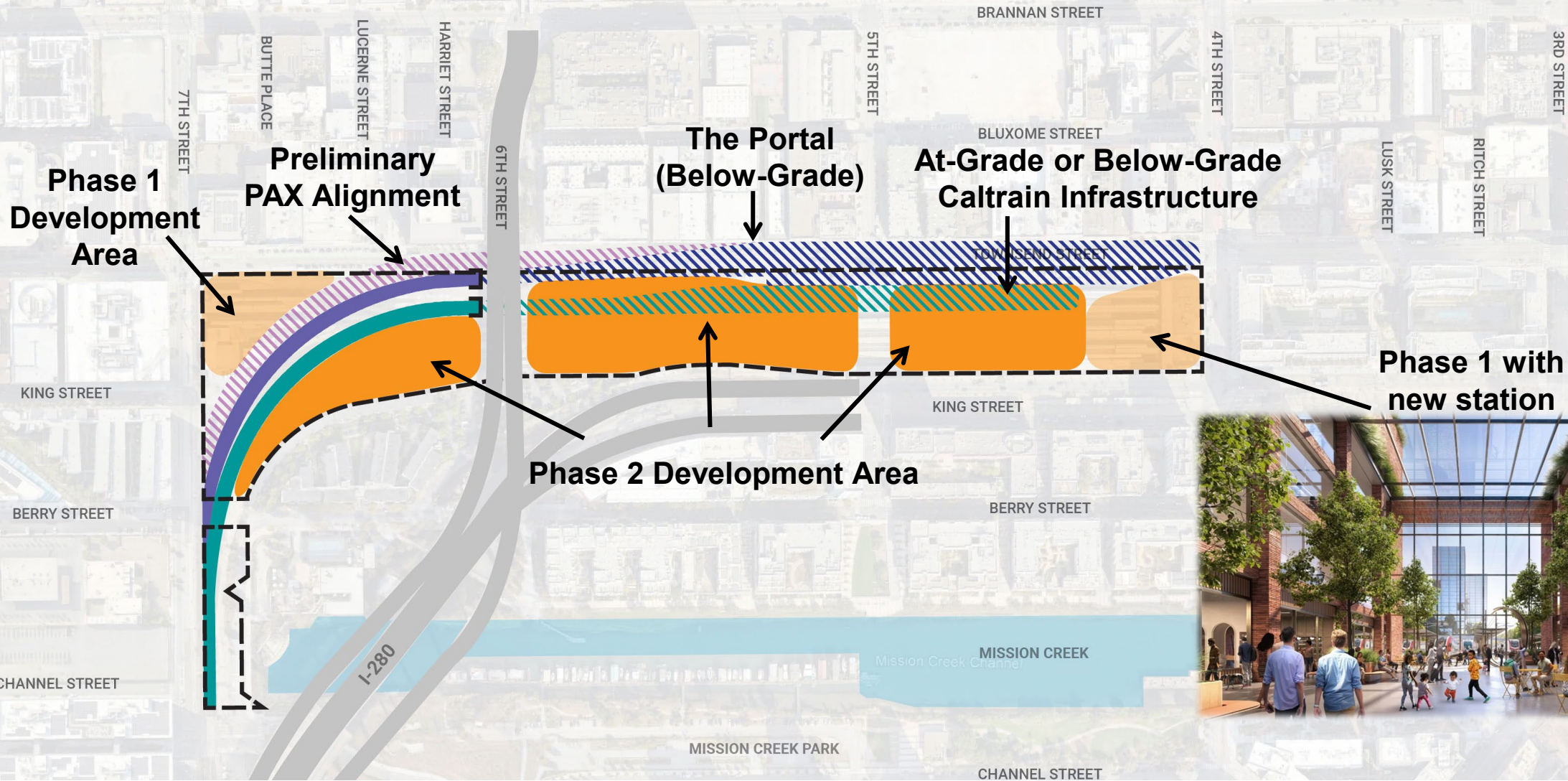
### Preferred Outcome

*Supports The Portal's Current Design + Schedule*

## Contingencies



# Project at full buildout



# Storage Options



**Storage is critical** to Caltrain's north-end operations and therefore, is a significant need for this project.

## Phase 1

Options for **Onsite** or potential **Offsite** Storage



## Phase 2

**(Full Development)**  
**Offsite** Storage Required

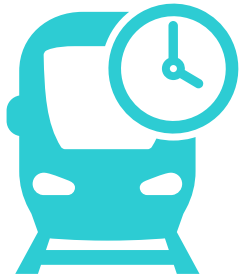
**Offsite location TBD**, as additional analysis is required.

**Offsite storage yard will require significant time** to identify, acquire, and obtain approvals for an offsite storage location.

# Storage Requirements



## Caltrain's Adopted Service Vision



**8 Caltrain  
trains per hour  
per direction**



**Storage for  
13 Trains**

### **Storage must be:**

- ✓ Long enough to store trains, including trackwork to get those trains back to the mainline
- ✓ Located along existing Caltrain mainline
- ✓ In the North-End of the corridor

# PBC Findings: Opportunity and Promise



## Benefits to Transit:

- ✓ **Modernized passenger station** for Caltrain with new retail amenities
- ✓ **Improved passenger experience** (wider platforms, level boarding)
- ✓ **Modernized rail infrastructure**, more efficient yard operations



Phase 1 with Onsite Storage accelerates delivery of these benefits and harnesses the opportunity to leverage private investment to offset costs.

*Without this project, Caltrain still needs to advance the above improvements, at public expense.*

# PBC Findings: Opportunity and Promise



## Other Benefits:

- ✓ **Dense urban mixed-use** development
- ✓ **Significant private investment**, generating public tax revenue, partially offsetting infrastructure costs
- ✓ **Revenue stream** to support Caltrain operations
- ✓ **Anticipated increase in ridership** due to site activation and urban development
- ✓ **Activation & economic infusion** in critical target neighborhood of the City
- ✓ **Enhanced pedestrian connections** between historically separated neighborhoods
- ✓ **Additional improvements** to all transit modes
- ✓ **Safer streets** for pedestrians and cyclists



## Major Project Cost Elements:

- New rail infrastructure at 4<sup>th</sup> & King
- North-end offsite storage facility

*(Offsite storage, which is required in Phase 2 and possibly required in Phase 1, is expensive and time consuming)*

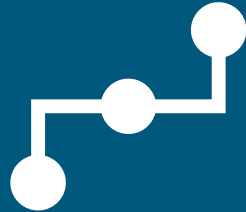
Rail infrastructure to support the project could seek public funding, which has the potential to compete with other priorities, but **Caltrain will remain cognizant that this effort does not compete with any funding for fiscal cliff, The Portal or critical State of Good Repair projects**

# PBC Findings: Takeaways for Caltrain

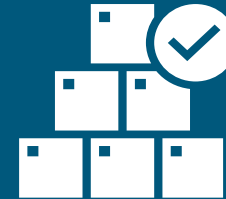
All Scenarios and phases we will continue to study:



Meet and exceed Caltrain's **safety and customer experience requirements.**



Are compatible and connected to Caltrain's existing and planned rail system and **consistent with Caltrain's Adopted Service Vision.**



**Can provide greater benefits to Caltrain** than Caltrain would achieve by improving its facilities on its own.



Help create a **large-scale Transit-Oriented Development** in one of the last opportunity sites in the city.





# SF Railyards Cooperation Agreement

# Caltrain/Prologis Cooperation Agreement

## Cooperation Agreement with Prologis: *Vehicle for Advancing Caltrain's Technical Work*

### Three principal Caltrain goals:



- 1 **Engage** with Prologis as it proceeds at its own cost with the entitlement process for vertical development
- 2 **Ensure** entitlement process does not bind Caltrain to a specific project
- 3 **Secure** Prologis funding commitment to support technical work needed to advance the project



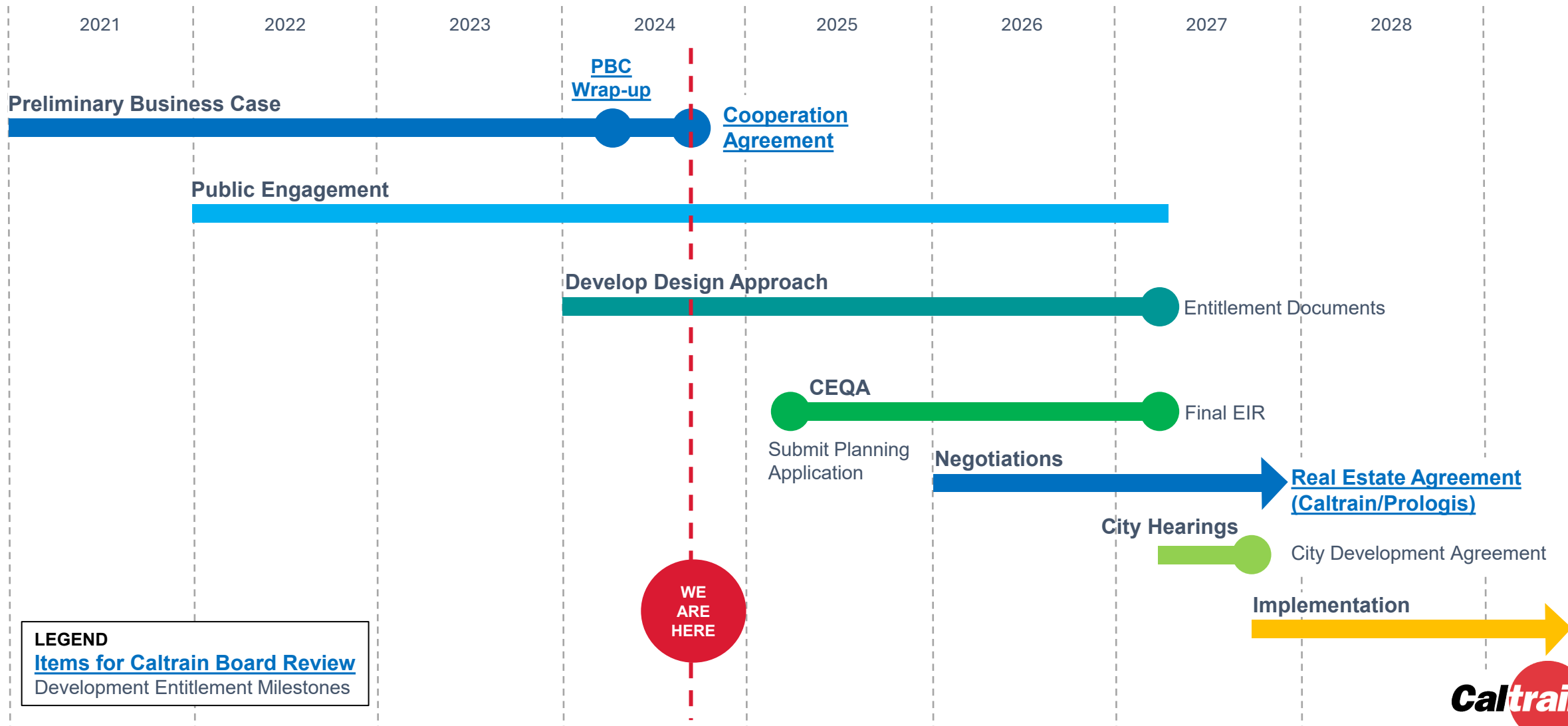
# Next Steps

# Caltrain's Next Steps

**To further advance the Railyards project, additional work is needed:**

1. Support Prologis/City Development entitlements process and related outreach
2. Passenger station programming and interface with rail infrastructure
3. Construction sequencing with TJPA
4. Further verification of Phase 1 design
5. Detailed operations planning
6. Offsite storage planning and cost estimating
7. Financial planning and funding strategy
8. CEQA preparation

# Caltrain/Prologis Timeline for Railyards Agreements



**LEGEND**  
Items for Caltrain Board Review  
 Development Entitlement Milestones



# Questions and Discussion



# Discussion Questions



Do you have feedback on the Phase 1 concept with onsite storage?

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Are there specific aspects of the project you would like to know more about as we move forward with our technical work?

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Is there anything that would be helpful to hear or understand better from any of our partners moving forward?

# Staff Recommendations

**Staff recommends** the AMP Committee of the Board of Directors pass a motion to **support JPB approval of the Cooperation Agreement** between Caltrain and Prologis and direct the staff to prepare an amendment to the Capital Budget **to enable the receipt of funds from Prologis in the amount of \$1.555M.**



FOR MORE INFORMATION

[WWW.CALTRAIN.COM](http://WWW.CALTRAIN.COM)

