



STAFF REPORT

AGENDA ITEM NO:

MEETING DATE: August 20, 2018

To: Honorable Mayor and City Council

Date: August 20, 2018

From: Syed Murtuza, Public Works Director – (650) 558-7230
Lisa K. Goldman, City Manager – (650) 558-7204

Subject: Adoption of a Resolution Authorizing the City Manager to Execute a Real Estate Agreement with Caltrain and Related Documents to Allow Relocation of Caltrain Paralleling Station 3 (PS-3) to City Property on the East Side of the Railway Tracks in the Industrial Zone

RECOMMENDATION

Staff recommends that the City Council adopt the attached resolution approving the construction of PS-3 partially on City property, and authorizing the City Manager to execute a Real Estate Agreement with Caltrain substantially in the form attached along with related documents to facilitate the relocation of PS-3 to City Property on the east side of the railway tracks in the Industrial Zone.

BACKGROUND

In 2015, Caltrain certified the Final Environmental Impact Report (FEIR) for the Peninsula Corridor Electrification Project (PCEP), which proposes to electrify Caltrain from San Francisco to San Jose. As part of the PCEP, Caltrain proposed 10 paralleling stations (PSs) along the corridor to power its electrified trains, with PS-3 located in Burlingame on the west side of the railway tracks, north of Broadway near the intersection of California Drive and Lincoln Avenue.

Subsequently, as part of the Broadway Grade Separation Project Study Report (PSR), it was determined that the originally proposed location of PS-3 as identified in the PCEP FEIR is in conflict with the Broadway Grade Separation Project. In particular, the retaining walls, which would support the partially raised train tracks, would be in conflict. As a result, the Broadway Grade Separation Project PSR identified that PS-3 needs to be relocated outside of the Broadway Grade Separation Project footprint. Caltrain determined that if PS-3 is not relocated now, it would cost approximately \$10 million to \$12 million (in current dollars) to the Broadway Grade Separation Project to relocate it in the future.

DISCUSSION

In March and April of 2018, Caltrain consulted with City staff regarding the relocation of PS-3, and analyzed a total of four different sites for feasibility, including on the east side of the railway tracks. From the beginning, City staff expressed grave concerns regarding locating PS-3 on the residential side of the railway tracks and requested that Caltrain relocate PS-3 to the east side of the tracks. In response to staff's request, Caltrain studied relocating PS-3 to the east side of the railway tracks. However, due to right-of-way constraints and lack of readily available maintenance access, Caltrain was unable to identify a feasible site on the east side of the tracks and identified the most cost effective and readily implementable solution on the west side of the tracks near the intersection of California Drive and Mills Avenue. Subsequently, Caltrain issued an addendum to the PCEP FEIR on July 12, 2018, and held a community outreach meeting on July 18, 2018, to seek public input prior to the August 2, 2018 Caltrain Board meeting, at which the Addendum to the FEIR was scheduled for approval.

Understandably, the residents along California Drive were extremely upset to learn about PS-3 being proposed in close proximity to the residential neighborhood. They expressed strong opposition to the proposal and requested that PS-3 be relocated away from the residential area.

On July 30, 2018, the Mayor, Vice Mayor, City Manager, and Public Works Director met to discuss the issue and identify a solution to the problem. On July 31, 2018, the Mayor issued a letter to the Board requesting the relocation of PS-3 to the east side of the tracks. Additionally, the City Manager and Public Works Director participated in a conference call with County Supervisor Dave Pine, who facilitated a discussion with Caltrain Program Director John Funghi to help resolve the conflict. After extensive analysis, City staff determined that PS-3 could be located adjacent to the Public Works Corporation Yard Parking Lot with maintenance access provided through the lot, which would address the maintenance access problem that Caltrain was facing.

On August 1, 2018, the Mayor, Vice Mayor, and City staff held a field meeting with Caltrain at the Public Works Corporation Yard to review the logistics and feasibility of locating PS-3 adjacent to the Corporation Yard along the east side of the railway tracks. After review of the site conditions, Caltrain expressed confidence that the site looked promising. Caltrain staff indicated that in addition to maintenance access, they would need a temporary construction easement (approximately 40 feet of the rear Public Works Corporation Yard Parking Lot) for the nine to 12 month duration of construction, and a long-term lease (strip of approximately 20 feet of land in the rear of the parking lot), which would make the construction of PS-3 feasible on the east side of the tracks.

This proposal will address the community's concerns and help facilitate the relocation of PS-3 to the east side of the tracks; however, it will significantly impact Public Works operations as an estimated 10 to 12 parking spaces used to park City equipment trucks and vehicles will be lost. Staff is currently in the process of identifying alternative locations to address the parking problem, including the possibility of leasing nearby properties. In order to address the impacts to City operations, the City has requested that Caltrain pay the cost of addressing the parking problem, which they have agreed to. Since Caltrain had originally budgeted approximately

\$100,000 for the right-of-way acquisition costs to be reimbursed by the Broadway Grade Separation Project in the future, that funding could be now used to mitigate the impacts at the City Public Works Corporation Yard. Furthermore, together Burlingame and Caltrain will request reimbursement from the San Mateo County Transportation Authority from future funding for the Broadway Grade Separation Project for costs associated with relocating PS-3. As a result, staff has negotiated the attached Real Estate Agreement with Caltrain to facilitate the relocation of PS-3 on the east side of the railway tracks. Below are the key terms of the Agreement.

1. City of Burlingame will grant Caltrain approximately 40 feet by 100 feet (4,000 square foot area) for a temporary construction easement in the rear of the Public Works Corporation Yard Parking Lot for the purposes of construction access and staging for a period of one year.
2. Caltrain will lease from the City of Burlingame approximately 20 feet by 100 feet (2,000 square foot area) in the rear of the Public Works Corporation Yard Parking Lot adjacent to the Caltrain right-of-way for \$1 per year for a period of 55 years, and a renewal option for a 45-year term. This will allow Caltrain to construct the PS-3 partially on City property to avoid conflict with the future shoofly tracks associated with the planned Broadway Grade Separation Project. In the future, if PS-3 disappears or for any reason Caltrain's need for the City land no longer exists, then the land will revert back at no cost to the City.
3. City of Burlingame will grant Caltrain a maintenance access easement over and across the City's Public Works Corporation Yard Parking Lot. This will facilitate Caltrain's access for the purposes of maintenance and servicing of PS-3.
4. Caltrain will pay \$150,000 to the City of Burlingame to mitigate the costs associated with construction impacts, including the costs associated with mitigating the loss of parking for the duration of the PS-3 construction.

Because the PCEP is already under construction, time is of the essence, and any delay in securing a feasible and readily available site for the PS-3 by August 21, 2018 could potentially result in \$100,000 per day in delay costs to Caltrain. In the event a feasible site on the east side of the railway tracks does not become available by August 21, 2018, the Caltrain Board has authorized the PCEP team to proceed with the relocation of PS-3 to the west side of the railway tracks near the intersection of Mills Avenue and California Drive as originally contemplated in the Addendum to the FEIR.

Staff recommends that the Council authorize the City Manager to execute a real estate agreement with the Caltrain JPB in substantially the form attached. Given the rapidly evolving nature of the planning for this imminent construction, some minor adjustments to the language or attachments may be necessary, but the key terms will be as described in this report. The Council should also confer authority to execute additional related documents necessary to effectuate the intent of the agreement, such as a temporary construction easement and a permanent easement for the PS-3 facility and its access.

FISCAL IMPACT

The proposal to relocate PS-3 on the east side of the railway tracks adjacent to the Public Works Corporation Yard property would result in the loss of approximately 10 to 12 parking spaces for City equipment trucks and employees during and after the construction. Caltrain has agreed to pay for costs for addressing parking impacts as indicated in the staff report.

Exhibits:

- Resolution
- Addendum to FEIR dated July 12, 2018
- Mayor's Letter to Caltrain dated July 31, 2018
- Mayor's Letter to Caltrain dated August 1, 2018
- Proposed Site Plan for PS-3
- Proposed Site Plan for Temporary Construction Easement and Access Easement
- Draft Real Estate Agreement