

# MTC Resolution No. 4509

## Caltrain Right-of-Way Repayment to SamTrans



# Links to Governance and SamTrans ROW

- JPB is completing a Governance study to evaluate structural governance options for delivering Caltrain projects and service. JPB is expected to consider adopting recommendations from the study at its February meeting
- MTC's Rail Governance Study will examine governance and project delivery structures on this corridor and the region as a whole
- Repayment of Right-of-Way funds fronted by SamTrans has been central to governance conversations
  - Payment obligations are set forth in a 2007 settlement and 2008 RPOA amendment

# Summary of Caltrain Right of Way Repayment

## Purchase of ROW Mainline – From 1991 Purchase Sale and Option Agreement

- \$120M Prop 116 Funds
- \$ 82 M SamTrans
- \$ 10M Credit for Construction of Maintenance Facility
- **\$212M Total Cost of Purchase**

*From Olson Remcho Law Firm – Report to JPB Board – April 1, 2021*

# Summary of Caltrain Right of Way Repayment

Original ROW purchase amount owed to SamTrans	43.0 million
Amount attributed to VTA	34.7 million
Amount attributed to SF	8.3 million
Compounded interest prior to 2008 RPOA Reset	48.5 million
Total amount owed to SamTrans prior to 2008 RPOA Reset	91.5 million
2008 RPOA Reset amount owed to SamTrans	53.3 million

## Repayment of Principal to SamTrans – From Real Property Ownership Agreement (RPOA) – Amended 2008

- The parties<sup>1</sup> agreed to reset the amount of the additional contribution attributable to VTA and San Francisco at \$53.3 million. Of the \$43.3 million to be paid by MTC, approximately 80% would be paid on behalf of VTA, and 20% on behalf of San Francisco.
- The parties also agreed that SamTrans could serve as managing agency for as long as it chose to do so in exchange for forgiving \$38.2 million of the \$48.5 million it was owed in accrued interest on its initial contribution.

<sup>1</sup> Santa Clara Valley Transportation Authority, San Francisco City and County, and San Mateo County Transit District

*From Olson Remcho Law Firm – Report to JPB Board – April 1, 2021*

# Summary of Caltrain Right of Way Repayment

## Current Payments/Balances as a Result of the 2007 Agreement and 2008 RPOA

	2007 Agreed to Payment to SamTrans	Paid to Date	Remaining Principal Balance
<b>Total</b>	53.3 million	33.5 million	19.8 million
<b>MTC</b>	43.3 million	23.7 million	19.6 million
<b>VTA</b>	8 million	8 million	0
<b>SF</b>	2 million	1.8 million	0.2 million

*From Olson Remcho Law Firm – Report to JPB Board – April 1, 2021*

# Proposed MTC Commitment and Proposed Conditions

- The Committee recommended the commitment of \$19.6 million to SamTrans be subject to the following conditions:
  - Principal payment of \$19.6 million constitutes full payment of any and all remaining MTC obligation for monies advanced by SamTrans for the purchase of the Caltrain right of way, with no expectation by SamTrans of future contributions by the Commission.
  - Inclusion of a policy statement affirming the JPB agreement around governance does not preclude recommendations forthcoming from the Network Management Business Case and/or the Regional Rail Study.
  - Inclusion in the recommendation that any future contemplated evaluation or reconvening of the Caltrain governance process include consultation with MTC regarding the status of ongoing regional governance processes including any network management recommendations that may have been adopted before that time.

## Next Steps / Action

- Recommend approval of MTC Resolution No. 4509 - Funding commitment of \$19.6 million to SamTrans to retire the principal balance for the purchase of the Caltrain right of way per the 2007-2008 agreements.
- Return with a programming or allocation action to operationalize this funding commitment within calendar year 2022, with an accelerated goal of bringing back a recommendation for action by June 2022.