

**RESOLUTION NO. 2021-29**

**BOARD OF DIRECTORS, SAN MATEO COUNTY TRANSIT DISTRICT**

**STATE OF CALIFORNIA**

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**AUTHORIZING THE ACTING GENERAL MANAGER/CEO TO SEEK WRITTEN RESPONSES AND INFORMATION FROM THE CITY AND COUNTY OF SAN FRANCISCO, SANTA CLARA VALLEY TRANSPORTATION AUTHORITY ("VTA"), AND THE METROPOLITAN TRANSPORTATION COMMISSION ("MTC") CONCERNING REIMBURSEMENT OF THE DISTRICT'S ADDITIONAL CONTRIBUTION TO THE PURCHASE OF THE CALTRAIN CORRIDOR**

**WHEREAS**, in the late 1980's, San Francisco, VTA, and the San Mateo County Transit District ("District") jointly decided that it was in the interests of their residents to locally operate the Peninsula Commute Service ("Caltrain");

**WHEREAS**, San Francisco, VTA, and the District created a joint powers board ("JPB") to study and purchase the necessary property and rights from Southern Pacific Transportation (the "Caltrain Corridor");

**WHEREAS**, because San Francisco and VTA asserted that they had no available funds at that time, the District subsidized the acquisition of the Caltrain Corridor by contributing \$82 million to fill the gap between the purchase price and the amount of money provided by the California Transportation Commission for use in the purchase;

**WHEREAS**, the JPB, San Francisco, VTA, and the District entered into a contract in 1991 providing for methods by which the District would be reimbursed with interest, and that prior to reimbursement the District would hold an equity interest in the Caltrain Corridor and act as the JPB's Managing Agency to protect the District's position as the only agency that invested in the Caltrain Corridor;

**WHEREAS**, in 2008, San Francisco and VTA again affirmed in writing that the District would be reimbursed for its contribution, promised to use their best efforts individually and collectively to do so—including empowering the Metropolitan Transportation Commission (“MTC”) to direct additional funds to the District for this purpose—and agreed in a binding contract that the District would continue to act as the Managing Agent “unless and until it no longer chooses to do so”;

**WHEREAS**, for three decades the District has managed Caltrain, which has now grown to be the seventh largest commuter rail service in the United States, and operates the most efficient such service in the nation based on cost per passenger mile;

**WHEREAS**, to this date neither San Francisco nor VTA has made any investment to offset the District's investment in the Caltrain Corridor, and the District remains largely unreimbursed for what was supposed to be a temporary sole investment; and

**WHEREAS**, San Francisco and VTA have not explained what efforts they are making to reimburse the District, what direction they have given to MTC, and, despite their express agreements and lack of any investment of their own, have been evaluating the removal of the District as the Caltrain Managing Agency;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the San Mateo County Transit District hereby authorizes its Acting General Manager/CEO, or his designee, to (1) seek a written response from San Francisco as to what efforts it has made and will make to ensure that the District is fully and properly reimbursed for the District's investment in the purchase of the Caltrain ROW; (2) seek a written response from VTA as to what efforts it has made and will make to ensure that the District is fully and properly reimbursed for the District's investment in the purchase of the Caltrain ROW; and (3) seek information from MTC concerning any funds available to reimburse

the District and any steps taken by San Francisco or VTA to empower the MTC to provide such funds.

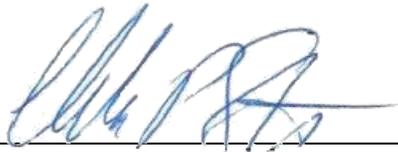
**BE IT FURTHER RESOLVED** that the Board of Directors authorizes the Acting General Manager/CEO, or his designee, to take any actions necessary to implement the intent of this resolution.

Regularly passed and adopted this 22<sup>nd</sup> day of June, 2021 by the following vote:

AYES: Fraser, Gee, Guilbault, Medina, Powell, Ratto, Stone

NOES: None

ABSENT: Groom, Pine



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Chair, San Mateo County Transit District

ATTEST:



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District Secretary