



SAN MATEO COUNTY
**Transportation
Authority**

Policy Governing Use of Land-banked Properties



Board of Directors – July 11, 2024

Purpose

Receive Board input on potential policies around TA land-banked properties in two areas:

- Property valuation
- Timing of property transfer



Background

- TA has purchased land for future projects
 - E.G., option properties from Southern Pacific in 1996
- City of Burlingame is requesting ROW funding to purchase TA and other properties for the Broadway project
- No policies currently in place to guide valuation and transfer of TA properties



Need for Policy Input

Project level considerations

- How the TA values land-banked properties directly impacts project costs
- When the TA transfers properties can impact project readiness

Funding program considerations

- Early acquisitions increase funding available for other projects in the long term
- Potential for more TA-supported projects to be built



Property Valuation Options

1. Market value
2. Repayment with adjustments
3. Repayment without adjustments
4. Contribute land as a form of TA allocation



Possible Adjustments to Property Value

Increased value:

- Investment earnings/inflation had land not been purchased
- Costs to manage and maintain property
- Costs to transfer property

Decreased value:

- Income generated that recoups some/all costs to purchase and maintain property



Timing of Land Transfer/Dedication

Balancing the interests of the TA and of projects, variables could include:

- Project status and readiness
- Presence and type of tenants
- Status of right-of-way/property acquisition
- Ongoing property management and/or maintenance requirements



Discussion

How should property be valued?

1. Market value
2. Repayment with adjustments
3. Repayment without adjustments
4. Contribute land as a form of TA allocation

What factors should determine when property be transferred to a project?

1. Project status and readiness
2. Presence and type of tenants
3. Status of right-of-way/property acquisition
4. Ongoing property management and/or maintenance requirements



Next Steps

- Develop policy and present to Board (August)
- Discuss programming/allocation request for Broadway grade separation project (August)
- Action on programming/allocation request (September)
- Incorporate Board guidance into Strategic Plan (Fall)

