

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: June 26-27, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8a.(4), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **REQUEST TO EXTEND THE PERIOD OF PROJECT ALLOCATION FOR A
LOCALLY-ADMINISTERED MULTI-FUNDED STATE TRANSPORTATION
IMPROVEMENT PROGRAM, TRANSIT AND INTERCITY RAIL CAPITAL
PROGRAM, AND PROPOSITION 1B INTERCITY RAIL IMPROVEMENT PROGRAM
PROJECT, PER STIP GUIDELINES
WAIVER 25-103**

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project allocation for the locally-administered multi-funded State Transportation Improvement Program (STIP), Transit and Intercity Rail Capital Program (TIRCP), and Proposition 1B (Prop 1B) Intercity Rail Improvement (IRI) Program Central Coast Layover Facility Rail project (PPNO 2195), in San Luis Obispo County, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of project allocation for the locally-administered multi-funded STIP, TIRCP, and Prop 1B IRI Program Central Coast Layover Facility Rail project (PPNO 2195), in San Luis Obispo County, for the time period as identified in the attachment.

BACKGROUND:

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency will not be able to request an allocation of STIP programmed funds by the June 30, 2025 deadline. The attachment shows the details of the project and the explanation for the delays. The TIRCP and Prop 1B IRI funds do not require an allocation time extension at this time.

Current STIP Guidelines stipulate that programmed funds are available for allocation only until the end of the fiscal year programmed. The Commission may approve a waiver to the Timely Use of Funds deadline, one-time only, for up to 20 months.

Attachment

“Improving lives and communities through transportation.”

**Time Extension/Waiver – Project Allocation
Multi-Funded STIP, TIRCP, and Prop 1B IRI**

Project Number: 1
Applicant: Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency
County: San Luis Obispo
District: 75
PPNO: 2195
Allocation Amount: STIP \$9,000,000
Phase: Construction
Number of Months Requested: 20 Months
Extended Deadline: 02/28/2027
Department Recommendation: Support

Central Coast Layover Facility

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) is requesting a 20-month time extension for the period of project allocation for the Construction (CON) phase of the Central Coast Layover Facility Rail Project. This extension request applies only to the State Transportation Improvement Program (STIP) portion of the project. The Agency experienced delays acquiring the land necessary for the facility.

The proposed project involves expanding the existing Amtrak layover facility in San Luis Obispo to increase overnight train storage capacity, enhance maintenance capabilities, and meet the objectives that align with program goals and the California State Rail Plan. The expansion includes the relocation and construction of a new maintenance and layover facility south of the San Luis Obispo station, which is in a vacant yard owned by the Union Pacific Railroad (UPRR) that the Department will purchase. This facility will accommodate additional and longer trains and allow for movement between the station and maintenance area without disrupting mainline passenger or freight operations.

The project also seeks to integrate this new facility with the City of San Luis Obispo's vision for their Roundhouse District (District), which is a City designated zone that this project falls within. In coordination with the City of San Luis Obispo, the project will conform to this District's ordinances to provide a pedestrian and bike trail that connects the District to the station while serving as a buffer between this facility and nearby development. This expanded facility supports potential future service extensions to Northern California, contingent on further infrastructure investments along the Central Coast.

The primary cause of this requested time extension is the delay in land purchase. The Agency is working closely with the Department to help facilitate the purchase from UPRR; a process that is now expected to take approximately 24 months due to required procedural steps. Since this timeline is excessive, the Agency has decided to purchase an interim lease agreement

with UPRR, to stay within the requested 20-month extension, and be able to allocate for construction, while the actual purchase is being finalized. A draft lease is expected from UPRR in the next couple of months, though details such as insurance requirements and exact property boundaries still need to be determined.

In summary, the additional time requested is due to certain delays and unanticipated lengthened timelines as outlined below:

- Delays in obtaining Right of Entry Permits from UPRR. Four permits were required. The total cumulative delay was 10 months; pushing back the initial land purchase coordination with the Department to May 2024.
- Schedule and perform field review by the Department – 2 months. (July 2024)
- Per the Department a Phase II Environmental Site Assessment is required for purchase. Time to procure consultant – 3 months (October 2024)
- Time for consultant to gain Right of Entry to perform Phase II investigations – 8 months (May 2025)
- Time to complete Phase II analysis – 1 month (July 2025)
- Time to update Appraisal and perform property boundary survey – 2 months (September 2025)
- Time to negotiate lease agreement terms and procure insurance – 5 months (February 2026)
- Time to finalize agreement and execute – 2 months (April 2026)
- Time to procure contractor – 8 months (December 2026)
- Time to allocate for construction – 2 months (February 2027)

Therefore, the Agency is requesting a 20-month time extension for the period of project allocation for the CON phase from June 30, 2025 to February 28, 2027.