

AMENDMENT TO REAL PROPERTY OWNERSHIP AGREEMENT

This First Amendment to Real Property Ownership Agreement (the "Agreement") is entered into by and among the Peninsula Corridor Joint Powers Board ("JPB"), San Mateo County Transit District ("SAMTRANS"), the City and County of San Francisco ("CCSF"), and the Santa Clara Valley Transportation Authority ("VTA"), formerly known as the Santa Clara County Transit District, this 31st day of October, 2008.

RECITALS

A. SAMTRANS, CCSF and VTA are member agencies of the JPB, which is governed by an amended and restated joint exercise of powers agreement ("JPA") dated October 3, 1996. Among the enumerated purposes of the JPB are the planning, administration, operation and expansion of the commuter rail system commonly known as Caltrain, and the maintenance, improvement and management of the rail corridor on which the Caltrain system is operated, together with other real estate assets necessary for the operation of Caltrain.

B. Under the JPA, SAMTRANS serves as the Managing Agency responsible for the management and operation of the Caltrain rail service and all of the assets of the JPB.

C. SAMTRANS, CCSF, VTA and JPB also are parties to a Real Property Ownership Agreement ("RPOA") dated December 24, 1991.

D. Among other things, the RPOA sets forth the understandings of SAMTRANS, CCSF and VTA associated with financing the acquisition by the JPB of the former Southern Pacific Transportation Company ("SP") right-of-way extending from 4th and Townsend Streets in San Francisco 51.4 miles to Lick Junction (the "ROW"), together with various other property rights all as memorialized in a Purchase, Sale and Option Agreement dated November 22, 1991 between SP, JPB and SAMTRANS. More specifically, pursuant to the RPOA, SAMTRANS agreed to facilitate acquisition of the ROW by advancing certain of its funds, and arranging for the contribution of certain funds of the San Mateo County Transportation Authority, which were necessary to complete the purchase of the ROW (the "Additional Contribution"). In consideration of SAMTRANS' willingness to facilitate acquisition of the ROW in said fashion, CCSF and VTA agreed to enter into the RPOA to acknowledge, safeguard and protect the Additional Contribution,

made by SAMTRANS as defined in Section 1.2 of the RPOA. Among the provisions contained in the RPOA to protect SAMTRANS' advance of funds were the following:

- (1) Title to the ROW located in San Mateo County was vested in both the JPB and SAMTRANS, as tenants in common;
- (2) SAMTRANS was granted an equity conversion option pursuant to which SAMTRANS was granted the right to take sole title to part or all of the ROW at any time prior to reimbursement of the Additional Contribution; and
- (3) CCSF and VTA agreed to use their best efforts individually and collectively to advocate for and obtain grants from non-local sources to reimburse SAMTRANS for the Additional Contribution .

E. In recognition of the voluntary advance of funds to acquire the ROW made by SAMTRANS and the commitment of the parties to the RPOA to use best efforts to effect reimbursement of that advance, the Metropolitan Transportation Commission ("MTC") has assumed a leadership role in identifying grant funds from non-local sources to be used to reimburse SAMTRANS for its Additional Contribution. Specifically, as stated in a report to the MTC dated June 25, 2007, MTC's Executive Director has identified "spillover" state transit funds projected to flow to the San Francisco Bay Area region over a period of several years as a viable repayment source for the SAMTRANS Additional Contribution. More specifically, \$43.3 million in population-based spillover funds that fall under MTC's control and jurisdiction and \$10 million in revenue-based spillover funds (\$8 million from VTA and \$2 million from CCSF), have been identified as proposed sources of funds to be allocated to SAMTRANS in full reimbursement of the Additional Contribution.

F. By this Amendment to the RPOA, the JPB, SAMTRANS, CCSF and VTA desire to memorialize their understandings pertaining to the proposed reimbursement of the SAMTRANS Additional Contribution and to fully resolve all outstanding financial issues related to the acquisition of the ROW.

G. In conjunction with the Amendment of the RPOA, the parties have agreed that SAMTRANS will be designated as the managing agency of the JPB unless and until it no longer

chooses to do so, it being agreed and understood that a formal amendment to the JPA incorporating this commitment will be implemented at a future date.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

I. Section 3.3 of the Agreement (Reimbursement Of Additional Contribution) is amended in its entirety to read as follows:

3.3 Reimbursement of Additional Contribution. The parties agree that the Metropolitan Transportation Commission ("MTC") will facilitate reimbursement of the Additional Contribution provided by SAMTRANS for the purchase of the ROW in the following manner:

A. **VTA Contribution.** The amount of the Additional Contribution attributable to VTA, \$43 million, will be paid to SAMTRANS through future gasoline sales tax "spillover" money: \$35 million in regional population-based "spillover" money to be allocated directly by MTC to SAMTRANS; and \$8 million in revenue-based "spillover" money from VTA to SAMTRANS.

B. **CCSF Contribution.** The amount of the Additional Contribution attributable to CCSF, \$10.3 million, will be paid to SAMTRANS through future gasoline sales tax "spillover" money: \$8.3 million in regional population-based "spillover" money to be allocated directly by MTC; and \$2 million in revenue-based "spillover" money from CCSF, through the San Francisco Municipal Transportation Agency.

C. **Timing and Method of Allocation of Funds.** The parties recognize that the precise time frame for allocation of the funds described in subsections A and B above is uncertain. The parties agree that they will use best efforts to effect allocation in full within a period of two (2) to four (4) years and in no event later than ten (10) years from the date of execution of this Amendment to the Agreement; provided that if and when MTC determines that the schedule of payments can be accelerated based upon greater availability of spillover funds made available from time to time by the State of

California, incremental revenue-based spillover funds otherwise allocable to VTA and CCSF will be paid to SAMTRANS in a ratio that equals or exceeds the incremental MTC allocation of regional population-based spillover funds.

If circumstances arise that would preclude allocation of the funds in full within ten (10) years, the parties acknowledge and agree that MTC will be authorized to identify alternative sources of non-local funds to effect full reimbursement of the Additional Contribution to SAMTRANS at the earliest practicable date.

MTC will allocate the regional population-based spillover funds directly to SAMTRANS. For Fiscal Year 2008-09, VTA and CCSF will pay the revenue-based spillover funds referred to in subparagraphs A and B to SAMTRANS. In subsequent years, if required, and until VTA's and CCSF's commitments are fully discharged, MTC will allocate and pay to SAMTRANS the respective shares of VTA and CCSF revenue-based spillover funds.

Upon receipt by SAMTRANS of all funds in satisfaction of the Additional Contribution, the commitments of CCSF and VTA under Sections 3.3 and 3.4 of the Agreement will be deemed fulfilled.

II. Section 4.1 of the Agreement (ROW) is amended in its entirety to read as follows:

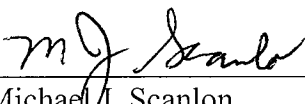
Title to the ROW shall vest initially in the JPB; provided, however, that title shall vest in the JPB and SAMTRANS as tenants in common (not as partners) as to all ROW property located in San Mateo County. Upon full participation in the Additional Contribution by all Member Agencies, or full reimbursement of the Additional Contribution to SAMTRANS as provided in Section 3.3 above, SAMTRANS shall reconvey to the JPB all of its interests in title to the ROW. At such time, Section 7 of the RPOA granting SAMTRANS an option to convert its Additional Contribution to an equity interest in the ROW shall no longer be in effect and Section 6.5 of the RPOA shall be repealed. Title to State Transferred Properties shall vest in the JPB.

III. AGREEMENT TO AMEND JOINT POWERS AGREEMENT.

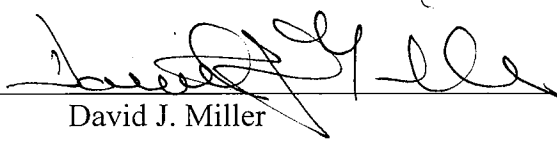
In consideration of the understandings reached pursuant to this Amendment to the RPOA, and in keeping with the shared commitment of the parties to continue their collaborative support of Caltrain, the parties have agreed that SAMTRANS is designated as the managing agency of the JPB and will serve in that capacity unless and until it no longer chooses to do so. The parties also agree to incorporate this agreement in a formal amendment of the JPA at a future date.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date first written above, with the intent to be legally bound.

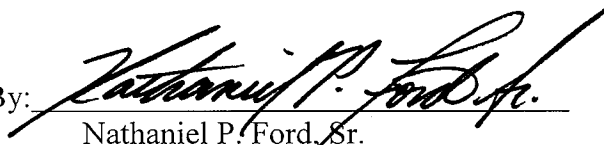
SAN MATEO COUNTY TRANSIT DISTRICT

By: 
Michael J. Scanlon
General Manager/CEO

Approval as to form:

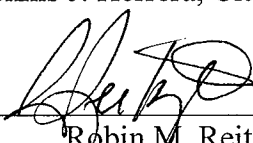

David J. Miller
Attorney

CITY AND COUNTY OF SAN FRANCISCO

By: 
Nathaniel P. Ford, Sr.
Executive Director/CEO
Municipal Transportation Agency

Approved as to form:

Dennis J. Herrera, City Attorney


Robin M. Reitzes
Deputy City Attorney

Municipal Transportation Agency
Board of Directors
Resolution No. 08-099
Dated: June 17, 2008

Attest:

R. Boomer
Secretary

Board of Supervisors
Resolution No. 389-08
Dated: September 16, 2008

Attest:

A. Calvete
Clerk of the Board

SANTA CLARA VALLEY TRANSPORTATION AUTHORITY

By: Michael T. Burns
Michael T. Burns, General Manager

Approved as to form:

Kevin D. Allmand
Kevin D. Allmand
Acting General Counsel

PENINSULA CORRIDOR JOINT POWERS BOARD

By: Michael J. Scanlon
Michael J. Scanlon
Executive Director

Approved as to form:

David J. Miller
David J. Miller
Attorney