



BRUCE RUDD
City Manager

August 30, 2016

Mr. Tony Boren
Executive Director
Fresno Council of Governments
2035 Tulare, Suite #201
Fresno, CA 93721

Dear Tony:

Per our recent discussions, the City of Fresno hereby requests that the County of Fresno Council of Governments (CFCOG) place an action item on the next TTC and PAC, scheduled for September 9, 2016, to recommend amending the 1st Amendment to Measure "C" that set aside \$25 million dollars as an incentive for the acquisition and infrastructure build-out of the California High Speed Rail Authority (CHSRA) Heavy Maintenance Facility (HMF). We specifically request that the 1st Amendment be modified to allocate up to \$600,000 that would be used to fund two-year purchase option contracts needed to secure and control approximately 190 acres at the proposed HMF site as well as conduct environmental, historical, and geo-technical studies on the properties so to ensure that the site is ready in advance of construction.

Several months ago, the City of Fresno hired Continental Field Services (CFS), the right-of-way land acquisition specialists used by the CHSRA to acquire the right-of-way, to negotiate land purchase prices and two-year land sale option contracts. CFS was directed to focus their efforts on the property south of American Avenue and north of Clayton, between the HSR main track and Cedar Avenue. The total site is approximately 191 acres. The two-year land sale options will allow for the control of the site for a minimal investment, allow for any unforeseen potential delays on the exercise of the options, and are assignable to the HSRA or whatever entity HSRA designates to build the HMF.

The site has a total of twelve (12) privately owned parcels that are held by nine different owners. CFS has met with all of the property owners and is finalizing the price for two-year purchase option contracts for all the properties. The total cost for land sale options on the entire site is estimated to be no more than \$450,000 and would position the Fresno area to be highly competitive when compared to other sites under consideration. In addition to the purchase options, it is recommended that CFCOG and FCTA allocate up to \$150,000 to be used to conduct Phase 1 and Phase 2 environmental studies as well as historical resource and geotechnical studies for the entire site.

As you are aware, the CHSRA has been made slow but deliberate progress in the design and planning of the HMF and have hired a special consultant from the United Kingdom for the design and operation of the HMF. In addition, the CHSRA has been receiving presentations from delegations from the nine (9) other competing sites located in Merced, Kern, Tulare and Madera Counties. Most recently, members of the Madera County Board of Supervisors and Council Members from the City of Madera traveled to

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Sacramento to address the Authority's Board of Directors making the case for location of the HMF in Madera County.

Of the sites competing for the HMF, it appears that six (6) sites are owned by a single property owner or developer and of those six (6) sites a least four (4) have indicated that owner would donate the site or have the capacity to give the HSRA the total property in an effort to bring the HMF to their location. The single property ownership and/or the potential for the land to be donated, gives those sites a tremendous competitive advantage in the HSRA selection process.

In previous discussions with the CHSRA representatives, it has been made clear that in order for the Fresno site to be seriously considered that gaining control over the property is imperative. In fact, comments from the CHSRA Board of Directors in open session have clearly indicated that control of the site will be a major factor in deciding which site is ultimately selected for the facility.

Therefore, given the economic benefits that locating the HMF would provide to this region, we are requesting consideration of this proposal by the TTC and PAC and a recommendation for approval by the CFCOG Board.

Thank for your assistance in this matter and if you have any questions, please feel free to contact me at (559) 621-7785.

Sincerely,



Bruce Rudd

City Manager
City of Fresno