

January 6, 2017

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

Dear Mr. Boren:

On behalf of the City of Fresno, and in conjunction with the FresnoWorks, the City is seeking support by the Fresno County Council of Governments (CFCOG) to amend the current Measure C Extension Expenditure Plan in order to help in facilitating the siting the proposed California High Speed Rail Authority's (CHSRA) Heavy Maintenance Facility. The requested amendment would allow for the expenditure of up to \$250,000 in calendar year 2017 and another \$250,000 in calendar year 2018, to pay for nonrefundable deposits for 190 acres that has been identified as the preferred location of Heavy Maintenance Facility (HMF) in Fresno County. Reimbursement for these conditional purchase and sales agreements would be derived from the \$25 million previously allocated by the Fresno County Transportation Authority (FCTA) in support of locating the HMF in Fresno County.

As you are aware, Fresno County is in a highly competitive race with other communities for the future home of the CHSRA's HMF, which is estimated to create 1,500 new permanent jobs and \$245 million in annual earning. To that end, the City of Fresno hired Continental Field Service to negotiate conditional purchase and sale agreements with property owners in order to control the proposed site during the time that the CHSRA is deliberating where the HMF will be located. These conditional purchase and sales agreements, which are assignable, include two twelve-month non-refundable deposits of no more than \$250,000 per twelve-month period and would secure these properties for up to two years. The actual purchase and sales provisions contained in these agreements can be exercised at any time during the term of the agreements.

Therefore, the City of Fresno is requesting CFCOG's support for an amendment to the current Measure C expenditure plan and further recommends that the Fresno County Transportation Authority (FCTA) either approve a reimbursement agreement with the City of Fresno for the cost associated with these agreements from the \$25 million previously allocated by the FCTA for this purpose. The City of Fresno is also supportive of having these agreements assigned to the FCTA, who in turn, would be responsible for the execution of the agreements and related payments.

Please feel free contact me at (559) 621-7784 or bruce.rudd@fresno.gov if you have any additional questions or should there be any additional information required.

Sincerely,

Bruce Rudd

Fresno City Manager

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c: Lee Brand, Mayor of Fresno

Larry Westerlund, Economic Development Director Lee Ann Eager, Chief Executive Officer, Economic Development Corporation

