May 5, 2020

Diana Gomez, PE, PMP
Central Valley Regional Director
California High-Speed Rail Authority
1111 H Street
Fresno CA 93721

Re: High-Speed Rail Project Impact on the City of Wasco

Dear Ms. Gomez,

We appreciate the opportunity to work with the California High-Speed Rail Authority (Authority) and address the concerns and impacts the California High-Speed Rail project will have on our community. Per your request, this letter is a follow up to recent discussions between the City of Wasco and the Authority regarding the impact high-speed rail project has had on the City of Wasco and the significant expenses the City anticipates incurring to address conditions caused by the project. We appreciate the Authority’s commitment to addressing new and unforeseen adverse fiscal impacts the project is having on the City of Wasco.

As part of the project, the Authority was instrumental in assisting the housing authority and the Wasco Farmworkers Housing Relocation Project. Authority’s efforts provided not only cost savings to the high-speed rail project by not having to construct a sound barrier and an underpass at the 6th Street railroad crossing, but the Wasco Farmworkers Housing Relocation Project exemplified Authority’s willingness to address social equity concerns that would have been heightened further by the project. Your efforts assisted in the development of Rosaleda Village, a 17-acre complex with more than 200 units with easier access to schools, shopping centers, and other activities in the community.

As the Wasco Farmworkers Housing Relocation Project nears completion in the coming months with the relocation of the last remaining tenants, the City of Wasco will become responsible for the vacant complex. Once this transition occurs, the City will be challenged to maintain the site and move forward with its revitalization. Located at 650 H Street, the site encompasses nearly 23 acres and over 100 buildings/structures that would require abatement of any environmental concerns, demolition, clearing, and utilities disconnected or capped. The City estimates the abatement cost and demolition to be $5,051,214.00. For comparison, the City of Wasco general fund expenditures were $6,278,146.00 in the Fiscal Year 2018-2019.

In addition to demolition expenses, the City anticipates or has already incurred expenses related to safety, security, and general landscaping maintenance of the complex. Since the opening of Rosaleda Village in November 2018 to date, the Kern County Sheriff’s Department recorded 242 calls for service. These calls include 33 arrests and 50 charges at the former Wasco farm labor housing complex. In 2019 alone, there were 182 calls for service. In December 2019, the Wasco City Council directed City staff to retain the

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1 City of Wasco, California Financial Statements for The Year Ending June 30, 2019
services of a security firm to patrol the complex in order to safeguard the remaining tenants and reduce the burden on the Kern County Sheriff’s Department whom the City contracts with for law enforcement services in the City of Wasco. The City estimates it will spend approximately $38,000 for security service patrolling the mostly vacant complex through mid-June, 2020. Once the final tenants relocate and the City ceases security patrol services, the City anticipates the vacant housing complex will experience an increase in criminal activity that may expand to surrounding businesses and neighborhoods.

Maintenance and upkeep of the former housing complex is another significant concern. With three-quarters of the complex vacant, landscaping maintenance has been reduced significantly. The complex’s dilapidated condition and overgrown vegetation give drivers redirected along the project’s detour route, misrepresentation of our community. The blight they see driving on the 6th Street detour route or the H Street truck route is not the image of Wasco visitors and passersby should see. The City estimates it may cost up to $10,000.00 to apply ground sterilant to the grass and weeds throughout the complex. In addition, the City is developing cost estimates to locate and cap water service lines in order to alleviate issues associated with vandalism to buildings’ water lines and valves.

In addition to the fiscal impact the City of Wasco faces with the former Wasco farm labor housing complex, the City also had to acquire the property and buildings at 1400 J Street as a result of the high-speed rail project. The property had to be acquired to accommodate space to construct a new municipal water well to replace the City’s water well located in the high-speed rail project’s alignment. The former well was decommissioned under an agreement for a new one to be constructed on the southern half of the acquired property. The northern half of the property contains three buildings and structures.

The principal building on the corner of Poso Ave and J Street/Wasco Ave was the retail store and business office of Pioneer Equipment Company. The building is a 12,192 square foot building originally constructed in 1947, according to the Kern County Assessor’s data. In addition to the potential elimination of truck access to the building and the property off of Poso Ave due to the underpass that has to be constructed, the building’s age, layout, and potential abatement of environmental hazards all pose significant financial burdens for the City to overcome in order to utilize the building.

While relocating residents to a new affordable housing development was beneficial and overall cost savings to the Authority, the unforeseen impact of the blight that has developed at the property and cost of razing the buildings and structures at the former farm labor housing complex and abatement and rehab of the buildings at 1400 J Street is detrimental to the City of Wasco. The Authority has stated that any impact or adverse effect a local agency encounters as a result of the high-speed rail project would be addressed by the Authority. Therefore, the City Council of the City of Wasco requests that the Authority work with the City in addressing and alleviating the adverse fiscal impacts the project is having on the City of Wasco. We appreciate the continued effort to move this project forward with as minimal impact to our community as possible.

Respectfully,

[Signature]

TEOFILO CORTEZ JR.,
MAYOR of the City of Wasco