



July 9, 2020

Teofilo Cortez Jr.
Mayor
City of Wasco
746 8th Street
Wasco, CA 93280

Dear Mr. Cortez:

Regarding the City of Wasco's letter to the Authority dated May 5, 2020 requesting information from the California High Speed Rail Authority (Authority) about the disposition, demolition, maintenance and security of the Wasco Farmworkers Housing and the City acquired property and buildings at 1400 J Street we are providing the following information.

The signed agreement between the Authority and the City of Wasco dated October 28, 2016 details the responsibilities for both parties regarding the Wasco Farmworkers Housing located at 650 H Street in the City of Wasco. The agreements Exhibit A, Scope of Work on page 3 of 3, section 2, Scope of Work, and section 3, Invoicing and Payment states the following:

2.1 City Responsibilities: City is part of a group, that includes Wasco Housing Authority (WHA) and the WHA Entity, responsible for all steps required for the planning, environmental clearance and other approvals necessary to construct the affordable housing development on the site located on the south side of Gromer Avenue between N. Palm Ave and N. Popular Ave. in Wasco.

2.1.3: Procuring and administering the contract for design and/or construction of the affordable housing development.

2.4 Authority Responsibilities: The Authority will reimburse the City for the actual costs incurred in fulfillment of the obligations in Section 2.1 above.

3.1.3 Categories for Allowable Costs: Based on the preliminary information provided by the City, the Authority will be contributing to costs incurred in the following categories: Architecture and Engineering; Environmental and Energy Studies; Appraisals and Market Studies; Community Outreach; Acquisition and Relocation Costs; Permits and Impacts Fees; and Construction. Costs in other categories may be unallowable under the terms of this agreement; the City will consult with the Authority's Contract Manager prior to submittal of any invoices for costs in other categories to determine eligibility.

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The agreement does not state that the Authority will be financially responsible for the actual disposition, demolition, maintenance and security of the public housing at the location described above.

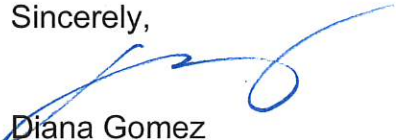
The letter from the City of Wasco City Manager to the Authority dated January 6, 2016 states that HUD will "approve a disposition and demolition of the public housing units" and USDA "will agree to a demolition and disposition of the farm labor housing, will subordinate any existing USDA loans to new financing".

To summarize, per the signed agreement between the Authority and the City of Wasco the Authority is not financially responsible for the disposition, demolition, maintenance and security of the Wasco Farmworkers Housing units.

Regarding the property and buildings located at 1400 J Street the Authority will respond to the City's concerns in a separate correspondence.

In conclusion, the Authority is committed to working closely with our federal, state, and local partners to ensure the success of California's high-speed rail project. As the project continues to advance, we look forward to an open and frequent dialogue with the City and the public

Sincerely,



Diana Gomez
Central Valley Regional Director
Diana.Gomez@hsr.ca.gov

Attachment(s)

cc: Steven Milton – Senior Contract Manager CP-4.