



**BRIEFING: May 10, 2016 BOARD MEETING AGENDA ITEM #4**

**TO: Chairman Richard and Board Members**

**FROM: Diana Gomez, Central Valley Regional Director  
Mark McLoughlin, Director of Environmental Services**

**DATE: May 10, 2016**

**RE: Consider Approving a Mitigation Agreement with the City of Wasco**

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**Background**

California High-Speed Rail Authority staff has been evaluating various means to mitigate impacts to an existing housing development located in the City of Wasco (City) near the footprint of Construction Package 4 (CP 4). Staff is recommending an alternative to the use of sound barriers to mitigate these impacts.

In the Final Environmental Impact Report/Environmental Impact Statement (Final EIR/EIS) for the Fresno to Bakersfield section of the high-speed rail project, the Authority committed to mitigate properties that would experience severe noise impacts. Prior to high-speed rail operations, the Authority committed to installing sound barriers where they can achieve a set limit of noise reduction, depending on the sound barriers' height and location relative to the tracks. Sound barriers, often referred to as "noise walls," are more commonly used to reduce the impacts of highway truck and auto traffic on communities. The primary requirements for an effective sound barrier are that the barrier must: (1) be high enough and long enough to break the line-of-sight between the sound source and the receiver; (2) be of an impervious material with a minimum surface density of 4 pounds per square foot; and, (3) not have any gaps or holes between the panels or at the bottom. Depending on the situation, sound barriers can also become visually intrusive.

In the Final EIR/EIS for the Fresno to Bakersfield section, the Authority identified noise impacts affecting the residents of the current farmworker housing facility in Wasco, located east of the BNSF rail lines on "J" and 6th Street. This is an environmental justice community that would require mitigation under environmental laws and the Authority's policies. The existing community houses over 200 farmworker families that are currently in 1940s buildings that served as an internment camp in World War II. This existing housing is not in an ideal location as it abuts non-permeable transportation corridors including a heavy freight rail corridor, Highways 43 and 46, and the proposed high-speed rail corridor. As the current location is on the edge of the city, residents have to cross the freight tracks for school, shopping and other activities.

The current proposed mitigation for this location as defined by the Final EIR/EIS would be the installation of a sound wall, visibly separating this community from the City, and require a form of crossing be constructed for pedestrians and vehicles to span the high-speed rail corridor. The estimated cost of such a wall is \$8 million.

### **Prior Board Action**

On May 7, 2014, the Board certified in Resolution #HSRA 14-09 the California High-Speed Train Final Environmental Impact Report/Environmental Impact Statement for the Fresno to Bakersfield Section.

On January 12, 2016 the Board approved Resolution #HSRA 16-01 to award the Design-Build Services Contract for Construction Package 4.

### **Discussion**

Authority staff has worked with City leadership, the Wasco Housing Authority (WHA), the Strategic Growth Council (SGC), and the Governor's Rural Community Outreach program to identify appropriate alternative mitigation for this community. Led by the City of Wasco, this group has worked together to develop a proposal for the Wasco Farmworkers Housing Relocation Project. This proposal is for the design and development of an affordable rental housing development on a 17-acre site within the City of Wasco. This proposed housing is intended for the relocation of the existing United States Department of Agriculture (USDA) Farm Labor Housing and the United States Department of Housing and Urban Development (HUD) Low-Income Public Housing units within the City, identified above. The new site would be located on the south side of Gromer Avenue, between Palm Avenue and the future extension of Popular Avenue.

The success of the Wasco Farmworkers Housing Relocation Project is dependent on numerous approvals and funding sources including the SGC's Affordable Housing and Sustainable Communities (AHSC) Program, Low Income Housing Tax Credits (LIHTC), HUD, USDA and the Authority. The Authority would be one of the first commitments of the funding entities and is a requirement for the AHSC and LIHTC review and approvals in May and June 2016.

The total proposed development cost for this project is \$49 million comprised of \$10 million from the Authority's environmental mitigation budget, approximately \$20 million from LIHTC, \$18 million from AHSC, and \$300,000 in existing project reserves. The City has obtained the property for the new housing location.

Staff is recommending this mitigation option, even though it will cost approximately \$2 million more than the sound wall, for a number of reasons. Specifically, this action will leverage several other existing monetary resources and programs to dramatically improve the living conditions of those currently living in this housing. It will also avoid the visual intrusion that a sound barrier would present, while providing significant safety improvements to the area. On top of these reasons, the Authority is not legally obligated to choose the least expensive mitigation measures.

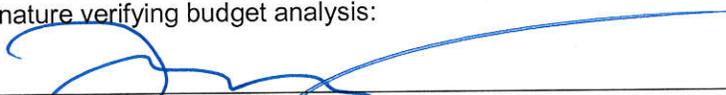
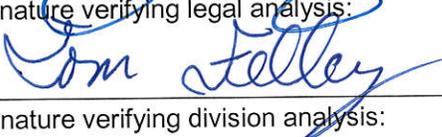
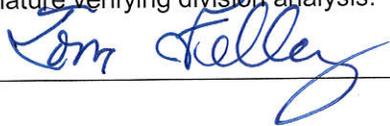
If the City and WHA obtain all necessary approvals for this project, the new housing community is expected to be completed by April 2018. Environmental clearances under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) have already been completed. With the relocation of the current housing community, the need for a sound wall would be removed. Accordingly, staff is proposing to use the \$8 million otherwise assumed for construction of a sound barrier, plus an additional \$2 million, as its contribution to Wasco Farmworkers Housing Relocation Project, addressing the identified environmental impacts in a way that provides more comprehensive community benefits.

**Legal Approval**

The agreement with the City of Wasco is being negotiated with assistance and involvement by the Authority’s in-house Counsel. The agreement will be approved as to form and compliance with applicable laws by Counsel prior to execution (“Each public agency shall mitigate or avoid the significant effects on the environment of projects that it carries out or approves whenever it is feasible to do so.” (Pub. Resources Code, § 21002.1, subd. (b).) *City of San Diego v. Bd. of Trustees of California State Univ.*, 61 Cal. 4th 945, 352 P.3d 883, 893 (2015)).

**Budget Implications**

As noted, construction of a sound barrier to meet the commitments in the environmental documents was estimated to cost \$8 million. That cost was not included in the CP 4 contract, but the \$10 million for the Wasco Farmworkers Housing Relocation Project is within the Authority’s environmental mitigation budget and is included in the 2016 Business Plan estimates.

<b>REVIEWER INFORMATION</b>	
Reviewer Name and Title: <b>Russell Fong, CFO</b>	Signature verifying budget analysis: 
Reviewer Name and Title: <b>Tom Fellenz, Chief Counsel</b>	Signature verifying legal analysis: 
Reviewer Name and Title: <b>Mark McLoughlin, Director of Environmental Services</b>	Signature verifying division analysis: 
Reviewer Name and Title: <b>Diana Gomez, Central Valley Regional Director</b>	Signature verifying division analysis: 

*to*

**Recommendations**

Staff recommends the Board authorize the CEO to negotiate and execute an agreement with the City of Wasco for \$10 million for mitigation of sound impacts. The successful execution of this agreement with the City of Wasco by the end of May is a requirement for the AHSC and LIHTC approvals and funding.

**Attachments**

– Draft Resolution #HSRA 16-14