

July 28, 2014

To: Mr. Brent L. Green
Chief, Division of Right of Way and Land Surveys
ATTEN: Affordable Sales Program
California Department of Transportation
1120 North Street, MS 37
Sacramento, CA 95814

From: Greg Carlsson, Tenant


CC: Senator Carol Liu
Governor Edmund G. Brown Jr.

Re: Sales of the 710 properties

Dear Mr. Green;

- I. I understand that there are three phases to the selling of the CalTrans properties, and that vacant lots will be sold first. I would strongly suggest that the properties that are currently being occupied be sold first. It seems unethical to have families waiting to purchase their homes (when some of them have been occupying them for decades), behind the sale of vacant lots or vacant houses. There also needs to be a strict time frame so the selling of the properties does not drag on for years. If there is a legal reason why the vacant lots must be sold first, I would suggest that Cal Trans consider a parallel process that would occur with vacant land being sold as the occupied properties are also being sold.
 - A. There must also be a reasonable amount of homes sold each year and accountability so Cal Trans can't decide to drag their feet. It is my understanding that when this process occurred years ago in South Pasadena, Cal Trans was very slow working with some buyers who in-turn lost their funding source.
 - B. There must be a third party agency that can act as an ombudsman if either party does not stay within the time frame.
- II. Section 1488
 - a. Due to their time investment and tenure in their homes, tenants in good standing that do not qualify to purchase their homes under the Roberti Bill, should take buying preference over house-related public and private entities. As stated by Senator Roberti at the July 17, 2014 community meeting, "the purpose of the bill was to support the fabric of the community while creating safe, affordable housing for its residents." Tenants should not be punished for being financially stable. Such tenants are more likely to be able to contribute to the :fabric of their community" and invest in their properties thus raising the value of their homes.
 - b. There also needs to be a strict time frame for housing entities to submit proposals and bid. Many of the historical homes due to the historical upkeep are not conducive to low income housing, project

based housing or Section 8 housing. Unless there are strict guidelines and time frames, once again, the process will drag on.

- c. If occupied homes must be offered to housing entities first, and the housing groups do not want the homes, the properties must be offered to the occupant within a reasonable amount of time.
- d. *What kind of housing-related public and private entities should qualify to purchase properties?*
 1. A Request for Proposal (RFP) would be developed by Cal Trans in conjunction with the Department of Housing and Community Development.
 2. Community Housing Entities would submit a proposal to Cal Trans stating their intent to use the housing stock for low to moderate income housing. These goals would have to coincide with the city plan for affordable housing.
 3. These entities must also have been established in the community for at least five years to assure stability.
 4. A letter of support by the city must accompany the RFP
 5. A bidders conference or workshop could take place October 1, 2014
 6. The RFP would be released for example by October 15, with applications due by November 12.
 7. Any property NOT being considered would be offered to the tenant, in good standing, by December 1, 2014
 8. In addition, per the Roberti Bill, tenants would not be displaced if they decided to not purchase their homes.
 9. Provisions would need to be spelled out regarding continued occupancy at or below the current rent paid by the tenant.
 10. Housing Entities wanting to purchase homes could only make offers on vacant properties. Renters in properties not vacant, (these would include renters that want to buy their properties at Fair Market or continue renting) would work with Cal Trans and the affordable housing entities to come up with a solution which could include relocation costs or a continued occupancy with the new housing entity as the new landlord. Time frames are very important for all parts of the process so tenants in properties that are not going to be purchased by affordable housing groups, can move forward in the purchasing of their homes.

**Note: Housing Authorities and Affordable Housing Groups
are in the business of helping people find housing
so I hope that Caltrans works diligently to not
displacing anyone from their homes.**

III. Loans: Loans for these types of projects are going to be nearly impossible to secure and trying to get a second loan for repairs will carry a much higher interest rate. Cal Trans needs to develop relationships with lenders that promote Federal Housing Administration (FHA) loans with a 203K program which are backed by the Department of Housing and Urban Development. These types of loans will finance both the acquisition and the rehabilitation of the property. To clarify, by doing so, the buyer will be able to receive additional funds from 203K programs for the repairs to the house.

Thank you for your consideration

Sincerely

Greg Carlsson

Greg Carlsson, Tenant

