



OFFICE OF THE CITY MANAGER

July 17, 2014

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

RE: Affordable Sales Program: Caltrans SR-710 Surplus Properties Sales

Dear Mr. Green:

The City of Pasadena is in general support of the proposed regulations of the Affordable Sales Program, announced by Caltrans on May 30, 2014, governing the sale of surplus properties along the State Route 710 corridor.

However, the City would like to see the proposed Program rules and regulations modified to further facilitate the creation of affordable housing in Pasadena. Specifically, the City urges amending the language in §1477(a)(4) as reflected in the following redlines:

All other surplus residential properties and all properties described in paragraphs 1, 2, or 3 of this Subdivision that are not purchased by the former owners of the present occupants, shall then be offered on a first priority basis to housing-related public entities and then to housing-related nonprofit private entities ~~at a reasonable~~ an affordable price as defined in §1476 Definitions (i).

Accordingly, the definition of “affordable price” as set forth in §1476 Definitions (i) should be modified with the inclusion of the following provisions:

However, in the event of a sale of surplus property to a housing-related public or private nonprofit entity pursuant to §1477(a)(4), the amount of the Caltrans sales price shall be determined as follows:

- For *unimproved* property: The residual amount based on the affordable price calculated per this sub-section at the low or moderate income level, less the cost of developing dwelling units on the property. The residual amount will be determined jointly by Caltrans and the housing-related entity.
- For *improved* property: The residual amount based on the affordable price calculated per this section at the low or moderate income level, less the cost of repairing and rehabilitating the existing improvements to bring them to habitable and marketable standards. The residual amount will be determined jointly by Caltrans and the housing-related entity.

We sincerely appreciate this opportunity to provide feedback on the Affordable Sales Program and look forward to working with Caltrans to preserve, upgrade and expand the supply of affordable housing within the City of Pasadena.

If you have any questions or comments please feel free to contact William K. Huang, Director of Housing and Career Services, at whuang@cityofpasadena.net or (626) 744-8320.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael J. Beck".

for **Michael J. Beck**
City Manager

cc: Mayor and City Council
William K. Huang, Director of Housing and Career Services