Caltrans Tenants of the 710 Corridor
696 South Saint John Avenue
Pasadena, CA 91105

July 10, 2014

California Department of Transportation
Affordable Sales Program
Jennifer Lowden
1120 N Street
MS 37
Sacramento, CA 95814

Dear Ms. Lowden:

The Caltrans Tenants Association believes Caltrans proposed Regulations for the Affordable purchase of State owned properties in the 710 corridor are onerous restrictions to place on homes that have already been in the affordable housing category for 40 plus years. We are sure your Attorney's have told you that these restrictions are mandated by law for properties purchased under the affordable provisions of the Roberti Bill. This is not true. The preamble of the Roberti Bill is all about the Tenants rights and says in part, ***"The Department of Housing and Community Development shall provide to the selling agency recommendations of standards and criteria for these prices, terms, conditions, and restrictions."*** These are only recommendations. Caltrans is not mandated to follow these recommendations. you can make any regulations you want that will achieve the Roberti Bill objective of maintaining Community and affordable housing.

Additionally the Roberti Bill says, ***"This article is intended to benefit persons and families subject to displacement and persons and families of low or moderate income. The article shall be liberally construed to permit such persons or families to enforce the rights, duties, and benefits created by the article."*** By placing a 30 year resale restrictions on the Deed, Caltrans would make it very difficult for a Tenant to get a mortgage, thereby preventing a number of Affordable Tenants from being able to buy their homes. What bank would loan to a Tenant if the bank was second in line after Caltrans on the Deed. Preventing Tenants from obtaining a mortgage goes against the intent of the Roberti Bill.

We also believe that by placing restrictions on an owners ability to maintain and improve his/ her property, Caltrans is going against the Roberti Bills intent to sustain and preserve the continuity of Communities.

We believe that there should be an offset of time for each year of tenancy. After all, these houses have already been part of the affordable rental market since they were purchased by Caltrans in the 60's and 70's. Another suggestion would be Caltrans could

have 30 year Covenants but say that every year that Caltrans received below market rent for a property would count towards the 30 years. A third suggestion would be to place a "Silent Second" on the property which would allow a bank to loan on the property and allow a Tenant to build equity in the property until at 30 years, the buyers equity would be at 100%.

Finally, we need to argue that there should be NO restrictions on a buyer's ability to maintain and improve their property. These restrictions in no way contribute to the goal of maintaining Community or affordable housing stock. In the Associations opinion these restrictions are contrary to the intent of the Roberti Bill.

Yours truly,

John Kvammen for the Caltrans Tenants of the 710 Corridor