

**Office of Senator Carol Liu, 25<sup>th</sup> District**  
**Statement**  
**Caltrans Proposed Affordable Sales Regulations**  
**Public Hearing**  
**Thursday, July 17, 2014**  
**Pasadena, CA**

My name is Vickere Murphy. I am a Field Representative for Senator Carol Liu and am pleased for this opportunity to present these comments on Caltrans Proposed Affordable Sales Program Regulations. Our office has very few technical changes to the regulations that we propose. We understand that the Roberti Bill is explicit in its direction to the Department and for the most part, allows very little latitude or discretion.

The proposed regulation are succinct and to the point. The cross references to current law or regulations are in several cases called for in the Roberti Bill and lend themselves to a more consistent approach to affordable housing. That being said, the true test of the regulations, once finalized, will be in their implementation. We expect there may be some unexpected twists and turns in determining eligibility, timeframes, and price as the process progresses. It will be important for Caltrans to negotiate these expeditiously, fairly, and consistently.

As Caltrans considers public comment in developing its revised draft regulations, we expect that the focus will be to fully implement the intent and direction of the Robert Bill as currently written. Where latitude exists, we expect it to be exercised in compliance with the intent of the law, which is to put housing in the hands of qualified low and moderate income individuals and families.

Where sales to non-profit and private housing entities take place, we expect that the purchasers will have suitable financial capacity and a track record of performance that will assure timely conversion of the Caltrans properties into affordable housing. Both the sales and the post-sale monitoring process must be committed to assuring this outcome.

When it comes to determining "fair market value," we expect the comparables to be true comparables in similar condition and located in similar settings. We would also expect the sales price to be subject to some negotiation as would normally occur in the real estate marketplace.

As the sales process proceeds we encourage Caltrans to continue its outreach to those who are potentially eligible to participate by providing and directing them to resources that can assist them.

And finally, our technical comments on the proposed regulations:

1. Section 1475, Purpose and Scope: include a reference to the Roberti Bill as amended by SB 416 in 2013.
2. Section 1476 (e), Definition of Reasonable Price: Include to reference to meeting the intent of the Roberti Bill as stated in Section 1475 regarding the Purpose of the regulations.

3. Section 1478 (i)(1): need further clarification of “not feasible” with respect to development of cooperative housing.
4. Section 1478 (h)(1), referencing Director’s Deed; “Director” needs to be defined in Section 1476, Definitions.
5. Section 1490, Monitoring: Responsibility/accountability for the annual monitoring should be assigned to the Director.

In closing we note that SB 416 also made reference to the sale of non-residential properties. We look forward to seeing draft regulations and a timeframe for that process.

Thank you for your attention and consideration.