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From:	Tom Williams[redacted]
Sent:	Friday, August 14, 2015 2:36 PM
To:	Affordable Sales Program@DOT
Cc:	Roberto Flores; Christopher Sutton; Roberto Flores; Joanne Nuckols
Subject:	Comments on Affordable Sales Program

FROM: Dr. Tom Wiiliams, LA-32Neighborhood Council, North Region Representative and Board Member of Citizens Coalition for a Safe Community

TO: Affordable_Sales_Program@dot.ca.gov

Subject: SR-710 Surplus Property Sales
RE: Comments on Draft Regulations

PROPOSED SALES REGULATIONS FOR STATE ROUTE 710 PROPERTIES

Caltrans made revisions to the proposed regulation text with the ultimate goal of keeping affordable housing options available in the community.

Comments and Requests

Extend current draft Regulations comments deadline October 6, 2015 or to 30 days following the certification of the FEIR for the Sales, whichever comes later. The DEIR/FEIR project is the approval of these regulations and their implementation on the Project Area.

The DEIR and the Draft Regulations are directly linked by the latter's inclusion in the DEIR and repeated references to the "ASP regulations" which establishes the terms, conditions, requirements, and processes of the

Project/Actions as implemented for the Project Area. The ASP regulations must be incorporated into the "Project Description" and the Purpose and Need for the Project/Action. As the ASP regulations are the administrative implementation of the various legislative measures and related codes and are specific to the Project Area, the "ASP Regulations" and their implementation are in fact the "Project" or the "Action" subject to CEQA.

Regulations and the project presume that any excess revenues generated by property sales will be placed into a separate account, and this account may be allocated to cities within and beyond the communities subject to the surplus properties sales.

Inclusion of Alhambra and LaCanada-Flintridge for receiving excess sales revenues appears totally unreasonable and must be mitigated. Mitigation must include the assignment of excess sales funds based on their generation and the properties not sold to non-previous-owners or non-tenants.

Revise regulations and limit allocation of "excess funds" to those areas which have suffered directly from the tenancy under Caltrans.

1475 Purposes and Scope

1475 (a) ***The regulations include both elements for the implementation of the legislation and for other activities originating from/by Caltrans. The draft must be revised in order to clearly show and demonstrate the origin of statements contained therein and differentiate between those sourced from legislation, those from other Codes, and those originating in Caltrans.***

1475 (b) ***The ASP Regulations form the basis of all anticipated actions for the sales and thereby form the basic foundation of***

the proposed action and project considered within the Draft Environmental Impact Report for the same "Action". As both the Draft Regulations and the DEIR fail to clearly establish the CEQA process and its application, provide a clarification for such either within the regulations, definitions, or as an attached explanation.
The Project of the DEIR is the approval and implementation of the regulations under the authority granted and approved by the California Transportation Commission which is the only discretionary body involved in the "project/action"

1476 Definitions ***Six pages of definitions, grossly overwhelming for the public and CEQA process and for practical use by tenants; many without reference to standard real estate and property standards render any terms without references as arbitrary and without certainty of application and consistency with the real estate industry. Further such changes render the regulations unintelligible for the public and those that will be most influenced. Provide all definitions with confirming references to recognized in the real estate sector and separate those as defined by "Caltrans".***
affordable rents fair market rents affordable sales price affordable price
sales price reasonable price fair market price price

1477 (a) residential property...order of priority and condition ***No succinct order of priority is established and must be clearly shown table and flowchart.***
1477(a)(1) tenants in good standing ***Why tenants in good standing which implies that Caltrans and prior actions determines "standing" which is not required in legislation, not defined, and not verifiable based on past records therefore "standing" become arbitrary and unverifiable.***

(a)(2) Occupants affordable price or approved apprised fair market value price ***are poorly defined and not specifically reflected in the referenced legislation and codes, therefore reflects only the opinion of Caltrans. Clarify or remove and reevise.***

(iv) ownership interest ***Term is not defined.***

(3) area median income ***Area is not defined and includes many precincts which are widely different from the "project" area as focused by the related legislation - north of Alhambra Rd., west of Winchester, south of Huntington, and east of Eastern in El Sereno (exclude: Monterey Hills, Hillside Village, and University Hills from inclusion).***

(iv) ownership interest: ***Term is not defined.***

(4) **reasonable** price - "best suited to the economically **feasible** use"

(i) if it is **feasible** (ii) if it is **not feasible**

Also "feasible" - **commercially reasonable market analysis**...paid by the entity, **factors-location, numbers, tenant interests resources for operations *[?including maintenance]* financing*...***

Feasibility and reasonable are not defined and formulated and therefore is subject arbitrary development beyond these regulations. Remove or provide definitions and basis for calculations.

(5) Fair market value - current/former tenants as Own.Occupt. open bid-as O/O

(b) ***Revise and add:*** shall be made that exclude any qualified ***current*** tenant.

(g) properties sold re without warranty ***Clarify as to whether this is the same as "AS IS" nd estaablish s to whether this is acceptable to lending agencies within or adjacent to the Project Area.***

"The Department may...." introduces ambiguity and uncertainty into this stressful sales and displacement process; regulations must provide certainty and consistency for the process for all.

1478 (b) (3) Department **may**..."as is" condition...at an affordable price

(4) ...Department **may** elect...shall...shall

(6) ...Department **may** take such action...

(7)

1478 (c) (4) ...Department **may** take such actions to enforce its rights

(c)(5) Same as (b)(7) above

Provide clarifications as to when/how "may" would be applied rather than "shall" as used elsewhere. Change to "shall".

Regulations use inconsistently different terms for the same suspected item but without certainty regarding their use in various clauses and subsections, such as uses of residential properties, housing, dwellings, housing development, single readily marketable real estate entity, single unit, building(s), semi-detached units, units and living units, townhouses, structure(s), replacement dwelling, residential structure, residential property, and single-family surplus property residence.

1478 b.7 "...affordable price cannot be below the original acquisition price"

Due to the long used "deferred maintenance" approach to structure maintenance, some structures may have fallen to such poor conditions that the "As-Is" value of the structure may be below that of the original price for the structure. Remove such restrictions or require calculations.

Regulations refer to lead paints and other hazards but does not refer to hazardous asbestos containing materials, including: wall/ceiling coatings, floor tile, insulation boards, asbestos-cement pipe, and soft attic insulation.

"Any easement must run with the land..." ***does not clearly indicate what "run" means and is not clarified by "definitions" nor for many is there a clear distinction as to differences between "property" and "land". Revise and simplify: all easements shall be included with the deed***

Area median income: ***as indicated elsewhere in the regulations, definition and delineation of "area" should include characterization of a relative uniform and consistent population. The ASP regulations must recognize that "El Sereno" or 90032 includes three major parts which very different community characterizations. Land within 90032 includes communities such as University Hills, Hillside Village, and Monterey Hills which have very different property and vehicle ownerships, household educational, age, sizes and incomes distributions, and property-land and improvements-evaluations. For the most valid comparisons, the "area" fr application to the surplus properties of***

Dr. Tom Williams