



**Additional Documents List
Special City Council Meeting
March 29, 2021**

(Uploaded Online on 03/30/2021 @ 11:15 a.m.)

Item No.	Agenda Item Description	Distributor	Document
PC	Emailed Public Comment for: Regular Session Agenda Item No. #1	Maria E. Ayala, Chief City Clerk	Emailed Public Comments

Special City Council Meeting
E-mail Public Comment 03/29/2021

AGENDA ITEM NO. 1
Virtual Public Forum - SB 381:
Caltrans Surplus Property

1. Chris Bray
2. Bianca Richards
3. Sally Takeda
4. Megeen McLaughlin; Tim Ivison
5. Delaine W. Shane
6. Ron Rosen

From: Chris Bray [mailto: [REDACTED]]

Sent: Thursday, March 25, 2021 9:01 AM

To: SB381comment <SB381comment@southpasadenaca.gov>

Cc: Diana Mahmud <dmahmud@southpasadenaca.gov>; Michael Cacciotti <mcacciotti@southpasadenaca.gov>; Evelyn Zneimer <ezneimer@southpasadenaca.gov>; Jon Primuth <jprimuth@southpasadenaca.gov>; Jack Donovan <jdonovan@southpasadenaca.gov>

Subject: comment on SB 381 forum

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All,

I have some really good news, and I'm excited to share it: I've decided to take the entire South Pasadena City Council on a road trip!

I'm going to drive, and I've decided to bring my wife's car, because it's a little bigger than my car, but I want you all to know that I'll be completely open to your input, and I'll provide ample opportunity for you to comment about the trip and our destination – which will be Big Sur, because I've already decided where we're going. Also, I've mapped out the route we'll take, and I've decided the day and time we'll leave and return, and I've scheduled the places along the way where we'll stop for gas and food on the way there. Actually, I've already decided what you'll all be eating when we stop for food.

But I want you to know, and I'm completely in earnest on this important point, that I pledge without question to be completely open to your input. As we travel to the place I've decided to go, under my complete control as the driver, in the car I've chosen, on the route I've chosen, under the schedule I've chosen, to the destination I've already chosen, eating the food I've decided you can have at the places I've chosen, I promise to listen to what you have to say about the trip we're taking together.

It will be an opportunity for you to know what it's like for the rest of us to interact with you.

Chris Bray
[REDACTED]

From: Bianca Richards [REDACTED] >
Sent: Thursday, March 25, 2021 2:14 PM
To: SB381comment <SB381comment@southpasadenaca.gov>
Subject: comment for SB 381 forum, March 29

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I sent this comment also to Kristi Lopez (Senator Portantino)

Not sure if this is really a question but---Can a city approved non-profit housing related entity have an Oversight Board of Trustees? If there is an oversight committee/board here are my qualification suggestions: South Pasadena renters, owners, those with lived experiences with Cal Trans properties, current property managers that manager at least 3 rental properties, some trade folks like plumbers, electricians, construction experience. I would like to see good quality property management and regular reports to the city in regards to the property management.

thank you,

Bianca Richards

From: Sally Takeda <[REDACTED]>
Sent: Monday, March 29, 2021 12:37 PM
To: SB381comment <SB381comment@southpasadenaca.gov>
Subject: SB381 comment and questions

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hello,

My neighbors and I were optimistic that, during our Zoom meeting with City Manager Joyce in January 2021, along with his past experience and precedent of the deal at 2002 Berkshire in 2000, an agreement can be made with Cal Trans to protect and restore my neighborhood towards rehabilitating these CT properties, move them towards home ownership (not rentals) and to eliminate the blight associated with these properties. Senator Portantino's SB381 does not recognize the precedent the city has already demonstrated in rehabilitating a CalTrans property to a homeowner. Please seriously consider the SPPF's proposal. My questions to Senator Portantino and the city council members are below:

Comment and Q#1:

Comment: Senator Portantino is proposing that 19 CT properties in my neighborhood be allowed to be owned by a "housing related entity" and rented to low-moderate income tenants just on Bonita Drive, Summit Drive and Gillette Crescent (see map). If I include the CT properties on Berkshire and Valley View Road, we are talking about 24 CT properties in a small area in South Pasadena. There is also language in the bill that **they may be rented for at least another 55 years**. That is of particular concern to me. This sounds eerily similar to our current situation with CT; we would be trading CT for another property management group **with** no assurances and no ability by the City to monitor the property management group's own practices, its ethics, and its ability to change the longstanding "management" style of CT.

Question: How does this bring additional property tax revenue to South Pasadena if it's rented to occupants by a "housing related entity" for a minimum of 55 years? Property tax revenue is the city's largest revenue stream. The real estate market is extremely robust, with multiple offers on homes which are listed in South Pasadena. Adding property tax revenue is an obvious win for the city. Creating homeownership will widen our tax base and was it not the original purpose of the Roberti bill, to create an avenue for homeownership while restoring neighborhoods?



Comment and Q#2:

Comment: As I noted during the January Zoom meeting with the city and our neighbors, these particular nearby CT properties need financial resources to bring them up to habitability to a buyer/homeowner who wants to reside in our neighborhood. We're talking about hundreds of thousands of dollars for some of these structures in my neighborhood. I did not see a process in which this happens in the bill and this is vitally important to lay out prior to the passage of this bill. It is no small matter that should be dealt with later as a "detail". Accountability and transparency in this particular area of the bill is crucial especially since this bill will have a major impact on my neighborhood moving forward.

Question: Is there also a consideration to demolish these properties and build multi-unit housing? If this is the case, I am extremely concerned about the impact this will have in my neighborhood. Already, we are "busting out of our seams" in my neighborhood. Lot sizes are very small in my neighborhood, usually less than 5k square feet OR if it's on a larger lot size, much of it is located on unusable hillside land to develop. This is not a NIMBY issue as we already have several multi-unit properties. It's a matter of being able to live comfortably and safely in my neighborhood. Adding housing units, cars parked on the street, wear and tear on the roads and sewer line systems (that are not kept up by the city) is a burden to my neighborhood. And, currently, very few homeowners can expand their footprint of their home due to their lot size AND because they are not able to add parking spaces onto their lot. I certainly would hope you would not provide different accommodations or revisions to the detriment of my neighborhood. This puts an overburden on an neighborhood that is already so tight with space.

Comment and Q#3:

Comment: Tenants who currently occupy CalTrans homes may already qualify as low-moderate income and should have the ability to purchase these properties they consider their home, not trade one landlord for another. They should be provided the ability to access federal loans like the Homestyle Renovation Program or similar loan program where they can work in conjunction with the city to become homeowners in South Pasadena as they are already long standing residents in my neighborhood.

Question: How does this create homeownership to current residents within these properties?

Thank you,

Sally Takeda

████████████████████

From: timothy ivison [REDACTED] >
Sent: Wednesday, March 17, 2021 6:00 PM
To: City Council Public Comment <ccpubliccomment@southpasadenaca.gov>
Subject: Agenda Item 3 March 17th

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

City Council,
Please see attached, in regards to public comment on agenda item #3 for this evening's City Council meeting.
Best,
Tim Ivison



**United Caltrans Tenants
Wednesday, March 17th 2021**

Re: City Council Agenda Item 3

Esteemed Mayor and City Council Members,

United Caltrans Tenants in El Sereno, South Pasadena, and Pasadena urge you to oppose SB381. We understand that this bill has the interests of the community in mind but both the process and the result are regrettably flawed. After more than sixty years of freeway fighting and broad-based community participation, why has SB381 been crafted in private? Why have tenants and neighbors been kept at arms length on such a crucial issue? In the absence of public dialog, one can't help but think it has something to do with real estate.

When SB51 (originally SB9) was first created, District 24 Chief of Staff Steve Veres came to our meeting and spoke deceptively about the content of his bill. Since that day, we have been marginalized at every turn and Senator Durazo's office has refused to meet with us. Tenants have called in to oppose the bill in numerous committee hearings, we have submitted a series of detailed criticisms of the bill, and we have even reached out to legislators through emails and social media, all of which has been systematically ignored. From the very beginning, these proposed amendments to the Roberti statutes have been rushed through the legislature and sold as a "win-win" solution. But who is winning when the community is excluded from its own future? In the case of SB51, it is clear that the bill has been crafted around a set of incentives for property developers and managers to ensure they get the highest return on investment, even if it is at the expense of Caltrans tenants and the El Sereno community. Please don't let this kind of politics prevail in South Pasadena.

Attached to this letter you will find our arguments against SB51 in detail. However, our arguments against SB381 are simple: it is completely unnecessary. The crisis we are facing right now is not one of inadequate legislation. Caltrans properties in South Pasadena can be sold right now, at fair prices, in partnership with tenants, and in pursuit of affordable housing goals. SB381 would delay this process, and most importantly it would leave Caltrans in control

of a sales program that is now in its fifth year of unmitigated failure. Even after the inflation-adjusted price scandal and the 626 Prospect debacle, this bill fails to protect tenants and the South Pasadena community from Caltrans. A different approach is needed.

The California Transportation Commission has openly discussed divesting Caltrans from the 710 Sales Program and giving it to another agency. We believe that the time and money in care of the South Pasadena City Council could be better spent facilitating this kind of non-legislative solution, whereby the cities of Los Angeles, South Pasadena, and Pasadena take direct control of the corridor and responsibility for and with their tenants and properties. We believe this would lead to a more just, expedient, and amicable solution to a process marked by systemic injustice.

Not only are we faced with ongoing degrading treatment at the hands of the Department of Transportation, we are also faced with four pieces of legislation that now seek to change the language of the Roberti law at the very moment when we need the letter and spirit of this law the most. The lack of dialog is becoming intolerable. United Caltrans Tenants would like to take this opportunity to call for a postponement on these items and for an urgent public forum. We ask that you give time for there to be clarity and space for Caltrans tenants (who are the most affected) to engage with policy-makers and other community stakeholders in a meaningful democratic process.

Sincerely,

Megeen McLaughlin, South Pasadena, United Caltrans Tenants
Tim Ivison, Pasadena, United Caltrans Tenants



UNITED CALTRANS TENANTS OPPOSE SB51

Sunday, January 31st 2021

Esteemed Senators,

In advance of the Senate Transportation Committee meeting this Monday, February 1, 2021, the United Caltrans Tenants, as well as our neighbors and allies, would like to register our strong opposition to SB51. This flawed bill, which has been presented as progressive housing legislation, actually serves to limit the rights and harm the interests of Caltrans tenants and their communities. We urge you to consider the following analysis.

This bill is discriminatory. By amending the Roberti Act in only one specific geographic area, SB51 creates a glaring double-standard within the 710 Corridor, which further ingrains existing housing differentials and injustices between El Sereno, South Pasadena, and Pasadena. The bill claims that it is the “unique social, cultural, and economic conditions that necessitate the repair and improvement of the El Sereno neighborhood of the City of Los Angeles.” In fact, the bill interferes with the El Sereno community’s right to self-determination after decades of systematic neglect by Caltrans.

At no point has this bill been subjected to proper and full scrutiny. It entered the Senate last year as a gut-and-amend bill (SB9) and now returns as an emergency bill (SB51). Community input has been extremely limited, both during the creation of the bill and in the legislature. Tenant and community opposition was not properly recorded in the last legislative session, and district office 24 has evaded numerous calls for dialogue and input. For a bill that claims to act on behalf

of the interests of Caltrans tenants, there is a conspicuous lack of support from tenants. *Why*, you may ask?

The legislation claims to “speed up sales” of Caltrans homes but in fact it delays any revised 710 Corridor Sales Program until June 2022 and fails to specify a timeline or completion date for the project. This means years of delay. Caltrans tenants in El Sereno, South Pasadena, and Pasadena have already been waiting for Caltrans to proceed with their 710 Corridor Sales Program for five years. Initial sales were announced in 2016 and so far only ten houses have sold. Despite numerous alibis, the truth is that nothing stands in the way of Caltrans immediately beginning sales procedures for every parcel in the corridor according to existing law. Caltrans should be compelled to take action NOW to address the ongoing housing crisis.

SB51 fails to adequately address concerns about eviction and displacement.

This bill would allow Caltrans – the agency that has been sued repeatedly over their conduct in this corridor – freedom to determine how subsequent regulations are crafted and which tenants count as “tenants in good standing.” This is a mistake. Caltrans has systematically mismanaged record keeping and accounting, leading to a backlog of grievances regarding maintenance, contracts, and illicit debt. Over the years, numerous tenants have complained of being displaced for arbitrary and even retaliatory reasons. With no guarantees against eviction, tenants have no reason to trust this bill.

Importantly, SB51 eliminates the rights of tenant co-operatives and instead prioritizes Housing Related Entities, who are the real beneficiaries of SB51.

This means that many tenants, especially those in apartment complexes and other multi-family dwellings, will have no path to ownership. For decades, they have been promised an opportunity to buy their homes under the Roberti Act but this bill will guarantee that they remain renters for the rest of their lives.

Aside from the fact that HREs clearly stand to benefit from their elimination, **nowhere does the bill justify the exclusion of co-ops.** It has been alleged by the bill’s author that co-ops have not been formed since the 1980s and that they are irrelevant to the concerns of the corridor. This is misleading at best. New

co-operatives have already been planned or established in the 710 corridor in anticipation of 710 sales. In addition, the tenant-controlled co-ops formed in the 1980s to purchase homes in the former State Route 2 corridor in Echo Park and Silverlake still own their properties to this day. That is over 292 units across 76 properties in 5 distinct cooperatives. Cooperatives work, they ensure sustainable local community control, and they offer crucial permanent affordable housing.

Further to this, SB51 is quickly becoming obsolete. Tenants and stakeholders have already lost confidence in the ability of Caltrans to manage the 710 Corridor Sales Program, which has become a crisis of their own making. The agreements reached between Caltrans and the City of Los Angeles following the Reclaimer actions in El Sereno prove that immediate progress can be made where there is political will. Meanwhile, the County of Los Angeles is looking into acquiring Caltrans homes for affordable housing in collaboration with local land trusts. Only last week, the California Transportation Commission publicly questioned the ability of Caltrans to execute the sales program and passed a motion to investigate how to transfer the entire corridor out of Caltrans control.

It is no surprise that SB51 is out of step with the ongoing conversation around the housing crisis in the 710 corridor. The bill authors have resisted input from tenants and stakeholders at every turn. Despite the fact that Senator Durazo and Assemblymember Carrillo are two of our most brave and forward-thinking legislators on issues of labor and immigration, we have been shocked to follow the progress of such misguided housing legislation. **We ask the Senate Transportation Committee to oppose SB51**, and further invite you to join us in supporting local and municipal efforts to take control of the 710 Corridor Sales program and finally resolve this painful chapter. We also call on the Senator and the Assemblymember to join us in this effort.

Sincerely,

United Caltrans Tenants Organizing Committee

Your Rights under Roberti Law vs. Proposals in SB51 (2021 - Durazo)

1. Pathway to Home Ownership Narrowed.

Since 1979, the Roberti Law has been a pathway to home ownership for residential tenants of Caltrans in surplus properties. There are over 440 such properties in the Route 710 corridor in Pasadena, South Pasadena, and El Sereno. SB51 changes a large number of Roberti Law properties into a rent-controlled rental units for 55 years.

2. Income-Based Family Protections Reduced.

Since 1979, the Roberti Law has protected residential tenant families living in Caltrans properties, providing a pathway to home ownership for families of up to 150% of county median income. SB51 (2021 - Durazo) reduces the income protections to 120% of county median income, likely leading to displacements of many long time Caltrans tenant families whose incomes are slightly too high. But the author refuses to amend SB51 with a “no displacement” guarantee.

3. Right to Form Housing Coops Eliminated, But Only for El Sereno.

Since 1979, the Roberti Law has allowed Caltrans tenant families to join together into tenant housing cooperatives to purchase multi-family properties as a group, affording self-determination for these families, and permanent affordable housing. SB51 (2021 - Durazo) abolishes the right to form tenant housing cooperatives, but only in the El Sereno neighborhood of Los Angeles, but without any factual basis allowing tenants in Pasadena and South Pasadena to retain the option to form tenant housing cooperatives.

4. SB51 Discriminates and Violates U.S. and California Fair Housing Laws.

Since 1979, the Roberti Law has treated Caltrans tenant families equally based on where they live. SB51 (2021 - Durazo) discriminates against mostly Latinx families in the El Sereno area of Los Angeles, denying them rights that SB51 preserves for Caltrans tenant families in Pasadena and South Pasadena within the same former freeway corridor. This artificial discrimination in a state housing program violates the U.S. Fair Housing Act, similar California fair housing laws, and also violates the California Constitution’s prohibition on special local legislation.

5. SB51 Affirms Caltrans’ Punitive Landlord Policies.

Since 1999, when Caltrans convinced a federal judge to eliminate language in prior court Route 710 injunctions ordering Caltrans Route 710 properties to “remain occupied,” Caltrans has imposed a de-population program for these rental units, evicting families for trivial reasons, refusing normal repairs, raising rents unfairly, and deeming scores of families “not in good standing.” SB51 (2021 - Durazo) affirms these Caltrans’ abusive practices by allowing Caltrans’ to keep its “not in good standing” punishments imposed on innocent families since 1999 as a tool to de-populate the Route 710 rental units.



SB51 is defective! It makes it harder to own a home, has fewer tenant protections, and more handouts for property managers. Caltrans homes in the 710 Corridor can be sold NOW under existing law. Why are we wasting time, money, and energy on a bill that discriminates against families in El Sereno and risks violating federal and state housing laws? OPPOSE SB51!

Roberti Act (1979) Existing Legislation		SB51 (Durazo, 2021) Proposed Legislation	
The Roberti Act protects all Caltrans tenants in the 710 corridor, including renters in Pasadena, South Pasadena, El Sereno, and even parts of Alhambra.	Equal Rights ✓	SB51 rewrites the Roberti Act in only one neighborhood: El Sereno, City of Los Angeles. This violates the U.S. Fair Housing Act, CA fair housing laws, and the CA Constitution prohibition on special local legislation.	Unequal Rights X
Prevents speculation on sales below fair market value by requiring contracts with CalHFA, a state lending agency.	Shared Equity ✓	Enables speculation by selling homes to public <u>and private</u> HREs as low as \$20K each in El Sereno, with reduced covenants and no lien.	Land Grab X
All tenants have a right to buy through either direct sale, cooperative ownership, land trust, or through partnership with CalHFA.	Right to Buy ✓	Tenants in apartments and other multi-family units have NO RIGHT to organize co-ops and thus no right to buy...ONLY in El Sereno!	Denied Right to Buy X
All tenants with household incomes within 150% of the area median have the right to continue renting their homes after sale by Caltrans, whether through a co-operative or through a housing related entity (HRE).	Right to Rent ✓	With Co-ops abolished, HREs will buy the properties and affordable housing will be reduced from permanent to 55yrs. HREs will be under strict covenant to rent only to tenants with AMI below 120%. Tenants making more could now face displacement.	Renters Displaced X

THE 710 CORRIDOR AND THE FIGHT AGAINST SB51 (DURAZO)

THE 710 CORRIDOR

Freeway projects in California can take decades to complete. When Caltrans plans a project, they buy properties along the freeway path in order to demolish them. In the meantime, they rent property before construction starts. Sometimes it never starts. Sometimes projects are cancelled. The 710 freeway extension, planned in 1964 through El Sereno, South Pasadena, and Pasadena was finally cancelled in 2018. Some Caltrans tenants have now lived in their homes for more than fifty years. Some are renting the same house their parents or grandparents started renting in the 60s. Now, Caltrans is required to sell over 440 properties along this corridor. The Roberti act protects Caltrans tenants during this process, making sure that they can stay in their homes when Caltrans leaves. At the last minute, legislators are trying to change these laws, taking rights away from Caltrans tenants in one single neighborhood. Here is how they do it:

RIGHT TO BUY

Under existing law, low- and moderate-income tenants can buy their Caltrans homes at an affordable price, in partnership with CalHFA. The state lender holds a lien on the house but the tenant becomes a homeowner, in many cases saving them from being priced out of their own neighborhood. Tenants in multi-family units (duplexes, apartments) are given first priority to form housing cooperatives in order to do the same.

SB51 would preserve the right of low- and moderate-income tenants in single-family units to buy their homes, but DOES NOT allow renters in multi-family units in the neighborhood of El Sereno to form cooperatives. Their rights to collective ownership are stripped. Instead, the bill gives these homes to Housing Related Entities for as little as \$20,000 each, with no lien, on condition that they are rented as affordable housing for 55 years. This covenant reduces affordable housing, since cooperative ownership would create permanent, rather than limited affordability.

RIGHT TO RENT

Under existing law, tenants making between 120% and 150% of Area Median Income (AMI) can buy their homes, but may also choose to rent from an HRE at an affordable rate.

Due to the covenants in SB51, this bill will abolish this right to rental for tenants making more that 120% AMI, forcing the displacement of many middle-income households, many of whom have lived in their communities for decades. Despite this obvious weakness, there are no eviction protections for tenants in this bill.

EQUAL RIGHTS

Existing laws have treated Caltrans tenant families equally across neighborhoods and cities. Caltrans tenants in Pasadena, South Pasadena, and El Sereno all hold the same rights and protections.

SB51 will rewrite the law only in the neighborhood of El Sereno, discriminating against mostly Latinx families in the City of Los Angeles, denying them the same rights as tenants in Pasadena and South Pasadena. This blatant discrimination in a state housing program violates the U.S. Fair Housing Act, similar California fair housing laws, and also violates the California Constitution's prohibition on special local legislation.

WHAT SHOULD HAPPEN

We want to ensure that Caltrans tenant families in El Sereno have the right to organize cooperatives. We want to ensure that ALL Caltrans tenants are treated equally and that they are able to stay in their homes and in their communities, as the Roberti Act promised. We oppose SB51 and any attempt to challenge the protections afforded to Caltrans tenants under the Roberti Act. SB51 should be opposed and defeated. City and state officials should continue to work with tenants to remove Caltrans from the failed sales process and restore tenants to their local communities through the Roberti Act.

Summary of Expedited 710 Sales Process

1. All the 710 Properties will be assigned by Caltrans immediately to the City where they are located for all purposes of management, control, rental, repair, maintenance and sales. The California Transportation Commission will approve this assignment.
2. The Cities will be in charge of collecting all rent and selling all the 710 Properties under existing laws and regulations on all 710 Properties in their borders, with no involvement of Caltrans staff, but with the approval of the California Transportation Commission.

No legislation is required for this immediate Management and Agency Agreement.

No up front acquisition cost will be incurred by the Cities.

The Cities retain all rents and sales proceeds as compensation for their service to Caltrans in managing, repairing and selling the properties, and the Cities will retain all funds generated.

This is similar to the model suggested by the California Transportation Commission on January 27, 2020, and by former Caltrans District Seven Director John Bulinski in a public forum in November 2019.

Outline for Repair and Sale of Route 710 Caltrans Properties

Step 1: Immediate Management, Control, and Rent Assignment of All 710 Properties.

All of Caltrans' 710 Properties within the Cities of Pasadena (zip code 91105), South Pasadena (91030), and Los Angeles' El Sereno area (90032) shall be placed under the exclusive management and control of the City where the properties are located. The few fragments of 710 properties in the City of Alhambra shall be assigned to Los Angeles or its designee. This shall be pursuant to a **Management and Agency Agreement** submitted to and approved by the California Transportation Commission and by Resolution of the City Council of each City as to 710 properties within its borders and signed by the parties. The Agreement shall list each 710 Property by: (a) street address (if available), (b) Caltrans parcel number, (c) County Assessor Number (if available), (d) total square footage of land, (e) number of structures and units, and (f) how much of the land is used for a road bed or sidewalk. Day to day management of the properties maybe assigned by the City to a related City agency or department. The control by the City will involve all aspects of all the 710 Properties, even though the 710 Properties for some time will remain in nominal Caltrans ownership. Rental rates on the properties shall not be increased on any tenant or occupant.

A fully signed copy of the Management and Agency Agreement shall be recorded with the Los Angeles County Recorder within 15 days of CTC and City Council approval. The tenants and occupants at each property (residential, business, non-profit, local government), if any, shall be sent a Notice of Assignment of Rents signed by both an official of the City and Caltrans Director for District 7, and summarizing the Agreement and its approval by the CTC and the City, and instructing the tenant or occupant to pay all future rent as of a specific date to a named entity and address selected by the City and approved by a City Council Resolution. The rents from the properties shall be placed in a separate (city name) 710 Management bank account controlled by each City or its designee, and the funds in the account shall be used for the payment of management staff, inspections, maintenance, repair, and all related expenses related to the 710 properties within its borders until they are sold. A portion of the rents shall be designed for historic repairs or maintenance pursuant to Public Resources Code section 5028.5 ("Schiff Bill"). The City shall file a governmental exemption from property taxes for the 710 properties in its borders with the LA County Assessor for the properties. To the extent the rental funds are not sufficient for these purposes the City or a related entity may loan funds to the 710 Management account and be repaid later with interest from the proceeds of any future sale of the properties. All proceeds of sales to the immediate purchasers shall be retained by the City or its designee as compensation for services provided to Caltrans for the management, control, inspection, repair, maintenance, and sale of the properties.

Within 15 days of City Council and CTC approval Caltrans shall deliver to the City or its designee in easily readable digital format all rental, financial, inspection, repair, management, maintenance and map records for each 710 property within that City from January 1, 1998 through the date the assignment of rents on that property is scheduled to begin under the Management and Agency Agreement, and Caltrans shall also provide to the City or its designee within 15 days all information related to the date and original acquisition price for each property.

The City or its designee may also request pursuant to the California Public Records Act from the Department of General Services and/or its Direct Construction Unit (agencies not within Caltrans) easily readable digital format all rental, financial, inspection, repair, management and maintenance records for each 710 property within that City from January 1, 1998 through the date the assignment of rents on that property is scheduled to begin under the Management and Agency Agreement.

Step 2: Sale of All Properties

Within 60 days of the recording date of the Management and Agency Agreement the City or its designee shall solicit in writing by U.S. Mail from all tenants and occupants in the 710 properties in its borders (residential, business, non-profit) a response in writing as to whether that tenant or occupant desires to purchase the property under the Roberti Law, and how the tenant or occupant desires to acquire the property: (a) affordable or reduced price basis, and/or (b) market price net cost of repairs (“as is”), and/or (c) market price, and/or (d) pursuant to a tenant-controlled housing cooperative. The tenant or occupant may select more than one response and reserve making a final decision until a later date when more information is known by the tenant or occupant as to: (a) their eligibility to purchase on an affordable or reduced price basis, (b) the market value of the property, (c) assigned cost of repairs to the property on an “as is” basis, (d) the size of the land being sold (some properties involve road beds to be transferred to the City), (e) the historical status of structures on the property, and (f) available financing for the purchase. Tenants and occupants (residential, business, non-profits, local government) occupying a 710 Property on July 1, 2020, shall have an absolute first priority to purchase the property they occupy.

Occupied Residential Properties

Residential properties sold to a tenant or occupant on an affordable or reduced price basis shall be subject to a recorded document establishing a lien in favor of the California Housing Finance Agency representing the dollar amount difference between the price paid by the buyer and the market value of the property on that date, and these liens shall be non-recourse and without the power of sale, and the dollar amount they represent shall be collected only upon the future sale of the property at or above the market value. The purchase paid for the sale of residential properties shall be retained by the City or its designee as compensation for the services provided to Caltrans for the management, control, inspection, repair, maintenance, and sale of the properties. This lien shall be subordinated in priority to any first trust deed related to the sale. The City and the tenant or occupant shall consult with the California Housing Finance Agency on possible financing for the purchase and on the wording of any lien retained by the California Housing Finance Agency. The sale price shall not be less than the dollar amount of the original purchase price paid by Caltrans, and no inflation adjustment shall be applied to any sale price. If the property is sold on an “as is” basis (market value minus cost of repairs) or a market value basis there shall be no lien in favor of the California Housing Finance Agency. If any structure or structures on a property is a historic resource listed on any federal, state, or local inventory, appropriate covenants shall be attached to the deed to ensure consistency with historic standards. The City shall strive for a goal of selling not less than five (5) occupied residential properties each month commencing with September 2021 until all such properties are sold. All existing tenants and occupants shall have an absolute priority in purchasing the property where they reside. To the extent an existing tenant or occupant chooses to not purchase the property, the property shall be sold in the same manner as unoccupied residential properties, except that the tenant or occupant shall have the absolute right to rent the property until their demise or when they choose to leave.

Unoccupied Residential Properties

Unoccupied residential properties shall be sold by the City or its designee pursuant to the priorities and restrictions contained in the Roberti Law, Government Code section 54235 to 54238.7 as they existed on December 31, 2020. If sold on an affordable or reduced price basis the property shall be subject to the same terms and restrictions as described above for occupied residential properties. The City or its designee shall draft, circulate for comment, and approve by City Council Resolution a method of selecting persons or families eligible to purchase some or all unoccupied residential properties. Historical resources shall be protected in the same manner as described above for occupied residential properties.

Occupied Properties - Businesses, Non-Profits, Local Government, Community Gardens

710 Properties occupied by a business, non-profit entity, local government, or a garden shall be sold as follows. Properties occupied by a business shall be sold on either a market value basis (with the City or its designee making all lender required or code compliance repairs), or on an “as is” basis (market value minus the cost of lender required or code compliance repairs). 710 Properties occupied by a non-profit entity, a local government or by a community garden or historic garden shall be sold to that tenant entity at the property’s original acquisition price. The price shall not be subject to an adjustment for inflation. The property shall be subject to a permanent lien representing the dollar amount difference between the price paid by the buyer and the market value of the property on that date, and the lien shall be non-recourse and without the power of sale, and the dollar amount they represent shall be collected only upon the future sale of the property at or above the original market value or for a use other than as by the non-profit buyer. The purchase paid for the sale of residential properties shall be retained by the City or its designee as compensation for the services it provided to Caltrans for the management, control, inspection, repair, maintenance, and sale of the properties. Historical resources shall be protected in the same manner as described above for occupied residential properties.

Vacant Land and Road Beds.

All 710 Properties constituting vacant land or portions of 710 Properties occupied by road beds shall be sold as follows. However, vacant lands or other parcels which were fully or partially occupied by a business, non-profit entity, local government, or community garden or historic garden on July 1, 2020, shall be deemed a part of that occupied property and sold to that tenant or occupant as described above. Other vacant lands were severed from another property by Caltrans, and those shall be sold by to the present owner of the land from which it was severed from. Vacant land sold to a business, non-profit entity, local government, community garden or historic garden, or an owner of land from which the vacant land was severed shall be sold at the dollar price originally paid by Caltrans. Vacant land used for road beds shall be sold to the local government entity at the original purchase price, and fragments used as road beds shall be sold at a pro rata percentage price based on square footage.

Cities Retain All Sales Proceeds.

All other land may be sold either as a site for affordable housing or at fair market value by the City in its absolute discretion decides. All proceeds of sales shall be deposited into the City’s 710 Management Account and used for services and activities related to the 710 Properties.

Disposition of Remaining Funds.

After all the 710 Properties within a City are sold, and funds remaining the City’s 710 Management Account may be transferred to the City’s general fund for expenditure on its governmental activities.

Proposed by Christopher Sutton 3-15-2021

From: D. Shane <[REDACTED]>
Sent: Monday, March 29, 2021 4:09 PM
To: SB381comment <SB381comment@southpasadenaca.gov>; Kristi Lopez <Kristi.lopez@sen.ca.gov>
Cc: [REDACTED]; WISPPA <[REDACTED]>;
[REDACTED]; [REDACTED]; Christopher Sutton
<[REDACTED]>; Mark- Steven Gallatin <[REDACTED]>;
[REDACTED]; Sean Joyce <sjoyce@southpasadenaca.gov>; Tamara Binns
<tbinns@southpasadenaca.gov>; Joanna Hankamer <jhankamer@southpasadenaca.gov>; Lucy
Demirjian <ldemirjian@southpasadenaca.gov>; Lawrence Abelson <[REDACTED]>; Janet
Braun <[REDACTED]>
Subject: Public Comments on SB 381 (Portantino): Caltrans Properties: City Forum on March 29, 2021
Importance: High

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Dear City of South Pasadena, State Senator Portantino, and Respective Staff:

SUPPORT FOR SPPF PROPOSAL

As a resident that lives near over 20 Caltrans properties in the Meridian Avenue corridor, I **strongly support** the proposal prepared by the South Pasadena Preservation Foundation (SPPF). They have a common-sense approach to reverse the decades-long neglect and shameful history of Caltrans in its failed attempt to construct the 710 extension.

RECOMMENDATION ON FUTURE CONTENT OF SB 381, IF NECESSARY

The City, Senator Portantino, and SPPF must work through the specifics now so that any legislative bill needed will help the SPPF proposal where the Roberti law is unclear. For example, I support home ownership of these properties and would like to see some creative ways in which tenants can also afford such properties, such as through Tenancy In Common (TIC) compacts. As I understand it, TICs are quite successful in many cities, including Los Angeles and San Francisco. This is an affordable mechanism for tenants to get into home ownership, while also being responsible for paying property taxes. This concept, along with SPPF's proposal, is a win-win for the City and all of its residents.

CLARIFICATION NEEDED AND RELATED QUESTIONS

It was my understanding that SB 381 (Portantino) was strictly for the City of South Pasadena. Yet, at least one media outlet online has reported that this bill is more than that:

“SB 381 would allow for more local control over state-owned Pasadena, South Pasadena and El Sereno properties along the former SR 710 corridor that were seized more than 50 years ago to make way for a now defunct-freeway extension.” [Pasadena Residents Can Join South Pasadena's Community Forum About Caltrans-Owned Homes Along Former 710 Route – Pasadena Now](#) published on March 29, 2021 by *Pasadena Now* (Written by Andy Vitalico).

Question #1: Has the bill been expanded to include the cities of Pasadena and Los Angeles since Senator Portantino spoke at the last South Pasadena City Council meeting?

Question #2: If the bill now includes these two other cities, why aren't the other cities partnering with South Pasadena to sponsor and participate in this forum?

Question #3: If the bill does not include these cities, why did the media draw this conclusion? Did the Senator and/or the City of South Pasadena reach out to these two cities previously who then stated they were not interested?

Question #4: And, if the other two cities were not interested in participating in this current bill, what were their rationales for their disinterest in participation?

While the City and Senator Portantino's office has been involved in this legislative process for some time, we South Pasadena residents were only introduced to this legislative bill when the support resolution was presented to South Pasadena City Council at its meeting. Rushing things through was the go to process with the previous city management and should not be the way in which the City operates now. I appreciate very much this opportunity to comment but hope that this is simply not to "accept" my comments, "shelve them," and then move forward with the wholesale approval of this bill by the City. There is simply too much at stake to rush this through. Please thoroughly review the SPPF proposal, have a thoughtful dialogue with SPPF and other affected stakeholders (including those who live in the Meridian Avenue corridor), and pursue an outcome that can be accepted by us residents and help the City to not negatively impact our community.

Thank you.

Sincerely,

Delaine W. Shane

[REDACTED]
[REDACTED]

From: Ron Rosen [REDACTED] net>
Sent: Monday, March 29, 2021 5:53 PM
To: D. Shane <[REDACTED]>; SB381comment <SB381comment@southpasadenaca.gov>;
Kristi Lopez <Kristi.lopez@sen.ca.gov>; [REDACTED]; WISPPA <[REDACTED]>;
[REDACTED]; [REDACTED];
[REDACTED]; Christopher Sutton <[REDACTED]>; Mark-
Steven Gallatin <[REDACTED]>; Sean Joyce <sjoyce@southpasadenaca.gov>; Tamara Binns
<tbinns@southpasadenaca.gov>; Joanna Hankamer <jhankamer@southpasadenaca.gov>; Lucy
Demirjian <ldemirjian@southpasadenaca.gov>; Lawrence Abelson [REDACTED]; Janet
Braun <[REDACTED]>
Subject: Re: Public Comments on SB 381 (Portantino): Caltrans Properties: City Forum on March 29,
2021
Importance: High

CAUTION: This email originated from outside of the City of South Pasadena. Do not click links or open attachments unless you recognize the sender and know the content is safe.

I agree with the comments made and the view expressed in the below email from Delaine Shane.

Ron Rosen
[REDACTED]
[REDACTED]

On Mar 29, 2021, at 4:08 PM, D. Shane <[REDACTED]> wrote:

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Thank you.

Sincerely,

Delaine W. Shane

████████████████████
████████████████████