Robertti Act

The Robertti Act (Gov. Code § 54235 – 54238.9) governs the disposal of surplus properties within the SR 710 corridor.

• Caltrans has adopted regulations to help interpret and implement the Robertti Act.

• Some sales proceeds are used for Local Area Transportation Improvement Plan (LATIP).

• The LATIP exclusively funds projects located in Pasadena, South Pasadena, Alhambra, La Canada Flintridge and Los Angeles 90032.
Order of Priority

Affordable Sales Program

Per Government Code ARTICLE 8.5. Surplus Residential Property [54235 - 54238.9], collectively known as the "Roberti Act."

1. Current Occupant who is the Former Owner
2. Low/Moderate Income Occupant
3. 150% of Median Income Occupant
4. Public or Private Housing-Related Entity
   4a. Developed as Limited Equity Housing
   4b. Designated Public HRE
   4c. Private or Public HRE or NPPE
5. Present Tenant in Good Standing
6. Former Tenant in Good Standing
7. Streets & Highways Code Section 118

Legend:
- Affordable Price
- Reasonable Price
- Fair Market Value
# Initial Sales Proceeds

<table>
<thead>
<tr>
<th>State Highway Account</th>
<th>Initial sales proceeds go into the SR 710 Rehabilitation Account to pay for lender-required repairs for surplus residential properties sold at an Affordable Price (Gov. Code, §54237.7 (a).)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amounts exceeding $500,000 in the SR 710 Rehabilitation Account are deposited into the LATIP. (Gov. Code, §54237.7(a).)</td>
</tr>
</tbody>
</table>
AFFORDABLE SALES PROGRAM

• Caltrans started the sales process on 42 properties in December 2016.

• 10 escrows have closed.

• 32 properties offered to housing related entities.
Disposition of State Route (SR) 710 Property Sales

$2 Million
As of June 30, 2019

- SR 710 LATIP, $1.2 Million
- Property Repairs, $0.3 Million
- SR 710 Rehabilitation Account Reserve, $0.5 Million
Questions?
Proceeds Upon Resale at Fair Market Value
For Properties Purchased at Affordable Prices

Not to Scale

<table>
<thead>
<tr>
<th>Homeowner's Share</th>
<th>Affordable Housing Trust Account Share</th>
<th>Proceeds to SHA</th>
</tr>
</thead>
<tbody>
<tr>
<td>FMV at resale 23%</td>
<td>FMV at resale 8%</td>
<td></td>
</tr>
<tr>
<td>FMV at resale</td>
<td>FMV at resale</td>
<td></td>
</tr>
<tr>
<td>FMV at resale 80%</td>
<td>FMV at resale 100%</td>
<td></td>
</tr>
</tbody>
</table>

Increasing % of Net Appreciation* to Homeowner

100% of Net Equity** to Affordable Housing Trust Account

Amount to Homeowner

* Net Appreciation is the fair market value resale price minus the net equity, remaining principal loan balances, closing costs paid by the seller at resale, owner’s down payment, cost of improvements (subject to state determination).

** Net Equity is the approved fair market value at the time of initial sale minus the initial sale price.
Proceeds Upon Resale at Fair Market Value
For Properties Purchased at Reasonable Prices

Not to Scale
- Housing-Related Entity's (HRE) Share
- Affordable Housing Trust Account Share
- Proceeds to SHA

Fair Market Value (FMV) at initial sale

Reasonable Price to SHA

Initial Sale

<table>
<thead>
<tr>
<th>Initial Sale</th>
<th>During Year 1</th>
<th>After Year 1</th>
<th>After Year 2</th>
<th>After Year 3</th>
<th>After Year 4</th>
<th>After Year 5</th>
<th>FMV at resale</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FMV at resale</td>
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<td>FMV at resale</td>
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<td>FMV at resale</td>
<td>FMV at resale</td>
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</tr>
<tr>
<td></td>
<td>20%</td>
<td>40%</td>
<td>60%</td>
<td>80%</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Increasing % of Net Appreciation*
- 50% Net Equity to Affordable Housing Trust Account
- 50% Net Equity to HRE

Amount to HRE

All net proceeds shall be used to preserve, upgrade and expand the supply of affordable housing exclusively in the Pasadena, South Pasadena, Alhambra, La Canada Flintridge and the 90032 zip code.

* Net Appreciation is the fair market value resale price minus the net equity, remaining principal loan balances, closing costs paid by the seller at resale, owner’s down payment, cost of improvements (subject to state determination).

** Net Equity is the approved fair market value at the time of initial sale minus the initial sale price.