

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 25-26, 2024

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4d.(3), Action Item

Prepared By: Kimberly Ellis Erickson, Chief
Division of Right of Way and Land Surveys

Subject: **CONVEYANCE OF EXCESS STATE-OWNED REAL PROPERTY – ROBERTI ACT
PASADENA FRIENDSHIP COMMUNITY DEVELOPMENT CORPORATION**

ISSUE:

Should the California Transportation Commission (Commission) approve execution of the following Director's Deed?

RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission authorize execution of the Director's Deed summarized below. The conveyance of excess State-owned real property is pursuant to Section 118 of the Streets and Highways Code and specific to this Director's Deed, the Roberti Act (Government Code § 54235 et seq.) and the State Route (SR) 710 Sales Program regulations (21 CCR 1475 et seq.).

The Roberti Act requires the Department to dispose of SR 710 Surplus Residential Properties, originally acquired for the SR 710 extension project and located in Pasadena, South Pasadena, and the El Sereno Community of Los Angeles, in a manner that preserves, maintains, and expands the supply of housing to persons and families of low or moderate income and sets forth the priorities and procedures for such disposals. This property is being sold pursuant to the Roberti Act and is not subject to Executive Orders N-06-19 or N-23-20.

The Director's Deed in the amount of \$180,000 will be deposited in the SR 710 Rehabilitation Account in accordance with Government Code (Gov. Code) § 54237.7 to fund lender required repairs for SR 710 Surplus Residential Properties being sold at affordable prices to persons and families of low or moderate income. Funds in the SR 710 Rehabilitation Account exceeding \$1,200,000 are transferred to the State Highway Account for allocation by the Commission to exclusively fund projects in Pasadena, South Pasadena, Alhambra, La Canada Flintridge, and the 90032 postal zip code.

*"Provide a safe and reliable transportation network that
serves all people and respects the environment."*

BACKGROUND:

In June 2019 the Department offered 626 Prospect Avenue, a 12-unit multi-family property located in South Pasadena, for sale to Housing Related Entities (HREs). The Department received three bid proposals including a bid from Pasadena Friendship Community Development Corporation (Pasadena Friendship) and a bid from the City of South Pasadena in partnership with a private HRE. All bids were then evaluated by a five-member committee consisting of three staff from the Department and two staff from the Department of Housing and Community Development. In November 2020 the Department awarded the purchase of 626 Prospect Avenue to Pasadena Friendship in accordance with the Roberti Act and regulations.

The sale was later halted when the City of South Pasadena filed a Petition for Writ of Mandate on June 2, 2021, followed by a preliminary injunction on July 2, 2021, alleging the Department failed to abide by the Roberti Act and the regulations when it awarded the property to Pasadena Friendship and not to the City of South Pasadena. The parties have since attended mediation on two occasions and recently resolved the litigation resulting in the dismissal of the Writ of Mandate and the dissolution of the Preliminary Injunction. Pursuant to the final Judgment dated October 24, 2023, the Department is to proceed with selling 626 Prospect Avenue to Pasadena Friendship at the Department's original acquisition price of \$180,000.

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DIRECTOR'S DEED:

01-07-LA-710 PM 30.8

Disposal Unit #DD 68463-01-01

Convey to: Pasadena Friendship Community
Development Corporation

City of South Pasadena

16,000 square foot lot

12-Unit Multi-Family Residence

Sales Price: \$180,000

Direct sale. Disposal unit consists of a 12-unit apartment complex, with only three occupied units, being sold to Pasadena Friendship in accordance with the Roberti Act and pursuant to the final Judgment dated October 24, 2023, at the original acquisition price of \$180,000. The property was offered as-is, without warranty for use as affordable rental housing for persons and families of low or moderate income. A Declaration of Covenants, Conditions, and Restrictions will be recorded against the property providing the use and resale restrictions including the requirement to rehabilitate the property to decent, safe, and sanitary conditions and to utilize the property for affordable rental housing for 55 years. Pasadena Friendship will rehabilitate the property and offer existing tenants the first right of occupancy to rent at affordable rents, if eligible as persons and families of low or moderate income, or if not eligible, at fair market rent.

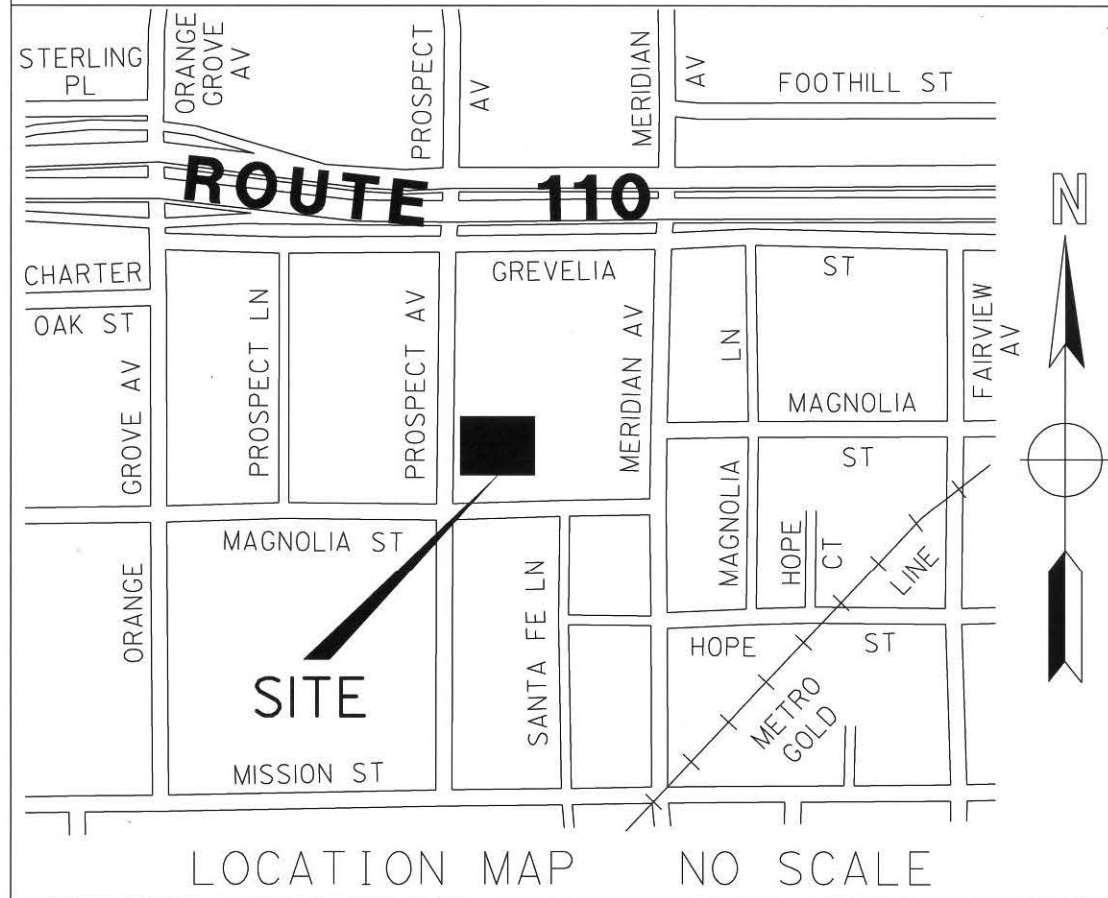
Attachments:

Exhibit 1A – 1B - Parcel maps

*“Provide a safe and reliable transportation network that
serves all people and respects the environment.”*

EXHIBIT "B"

CITY OF SOUTH PASADENA



**COUNTY OF LOS ANGELES
CITY OF SOUTH PASADENA**

LOCATION MAP

NOTES

All distances are in meters unless otherwise noted.

LEGEND

STATE OF CALIFORNIA
CALIFORNIA STATE TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION

**RIGHT OF WAY
DIRECTOR'S DEED
DD 68463-01-01**

NOT TO SCALE

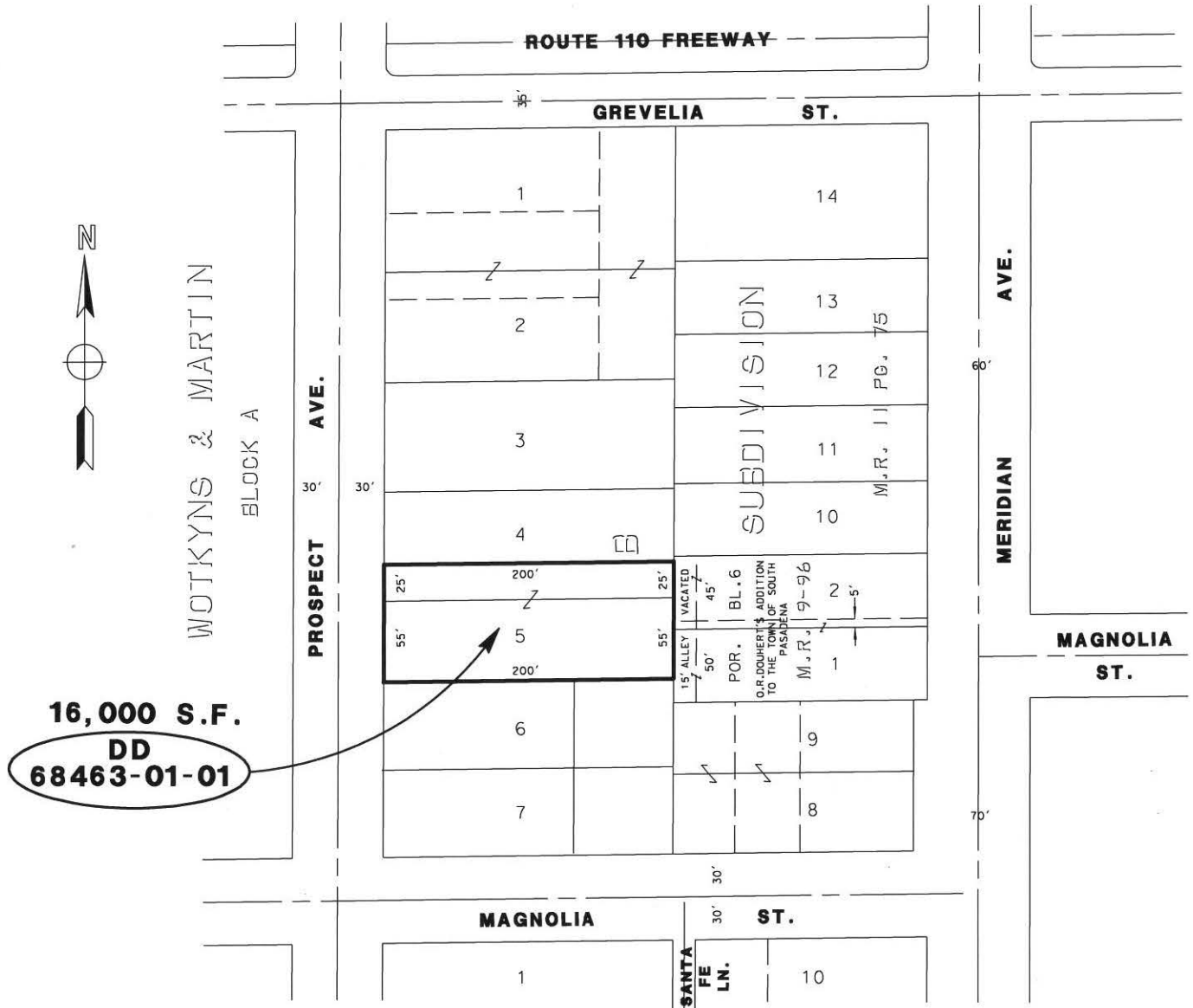
REF.: R/W MAP NO. F1533-4				DATE: 03-25-2021	
DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
07	LA	710	30.8	1	2

DIST	COUNTY	ROUTE	POST MILE
07	LA	710	30.8

EXHIBIT "B"

PARCEL NO.
DD 68463-01-01

AREA
16,000 SF



CITY OF SOUTH PASADENA

STATE OF CALIFORNIA-DEPARTMENT OF TRANSPORTATION-DISTRICT 07

626 PROSPECT AVENUE
SOUTH PASADENA, CA 91030

PLAT ACCOMPANYING

ASSESSOR IDENTIFICATION NO.
5315-016-900

DIRECTOR'S DEED DD 68463-01-01

REF. MAP: R/W MAP NO. F1533-4

SCALE: NOT TO SCALE

DRWN: ST CHKD: JA

DATE: 03-25-2021