

CHAPTER 16

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16.00.00.00 - EXCESS LAND

16.01.00.00 GENERAL

16.01.01.00 Function and Responsibility

The Excess Land function is responsible for administering the inventory and disposition of Department-owned real property that is no longer required for rights of way or other operational purposes.

Region and District Excess Land staff have full delegation to operate and approve within the parameters outlined herein, and as discussed in R/W Manual [Section 2.05.00.00](#). Any activities outside the scope of this Manual and/or the delegation matrix shall be subject to approval by HQ R/W. Such approval may be conveyed either in writing or by electronic means. A copy of said approval shall be placed in each Excess Land parcel file to which it applies.

16.01.02.00 Creation of Excess Land

Excess land may be created in several ways. Landlocked or uneconomic remnants not required for the right of way may have been acquired. Downscoped projects, superseded highway segments, route rescissions, route unadoptions by legislative action, and lands decertified at the request of adjoining owners may also create excess. Properties no longer required for operating purposes, such as maintenance facilities or material and disposal sites, may be declared excess.

16.01.03.00 Definitions

16.01.03.01 Excess Land

Excess land consists of real property rights, title to which is vested in the State of California, Department of Transportation, and which is determined and certified to be not required for rights of way or other operational purposes of the Department (see [California Streets and Highways Code 118](#)). The requirements for rights of way are established by the certificate of sufficiency contained in the appraisal report. Requirements for real property for other operational purposes are established and authorized by approval of specific Project Reports.

Excess land does not include:

- Airspace under or over State highways
- Hydrocarbon, mineral, or water rights
- Personal property
- Operating material and disposal sites

16.01.03.02 Inventory Parcel

An inventory parcel is excess land that is carried on the accounting inventory as an asset. Each inventory parcel has a Value at the Time of Acquisition (VTA). Inventory parcels are all excess land, as defined above, except those parcels specifically defined as non-inventory. Inventory parcels include land decertified at the request of adjoining owners.

16.01.03.03 Non-Inventory Parcel

A non-inventory parcel is excess land the Department intends to convey to a specific entity under the terms of a written agreement, and decertified access rights. These parcels are not part of the Division of Accounting (Accounting) inventory and do not have a VTA.

Examples of non-inventory parcels of excess land include:

- Property rights to be conveyed pursuant to an executed utility agreement for facility relocations.
- Property specifically acquired for another agency under terms of a written agreement.
- All decertified access rights where no other property rights are involved.
- Property rights, including underlying fee in local streets, to be conveyed to a local agency under terms of a freeway and/or cooperative agreement.
- Parcels acquired for exchange pursuant to a written agreement.
- Parcels acquired for replenishment housing facilities.
- Parcels acquired for functional replacement (see Section 8.30.00.00).

16.01.03.04 Planning Parcel

A planning parcel is a parcel identified only for planning purposes. It represents unacquired or undeclared excess land which may or may not eventually become excess. These parcels are not part of the Accounting system.

16.01.03.05 Disposal Unit

A disposal unit is the number given to the property for disposal purposes. It may consist of one or more parcels. When parcels are grouped for disposal, the lowest parcel number becomes the disposal unit number. Multiple parcel disposal units may be split or combined along the original parcel lines ONLY at the discretion of the Excess Land Manager to optimize marketability or disposal potential as necessary.

16.01.03.06 Inventory Value (VTA)

Inventory Value (also known as VTA) is the fair market value of the excess at the time of acquisition, considered as a separate parcel. The inventory value may not exceed the pro rata cost of the parcel.

16.01.03.07 **Acquisition Price (Pro Rata Cost)**

The amount paid by State for the excess parcel at the time of original acquisition.

16.01.03.08 **Direct Conveyance of Easements**

This category is limited to the State's conveyance of easements to public utility companies and political subdivisions, special districts, etc., or by direct sale where grantee has the power of eminent domain.

16.01.03.09 **Direct Conveyance Pursuant to Cooperative Agreement**

Pertains to the State's conveyance of property acquired pursuant to an agreement under which the public body and the State agree to jointly share in the acquisition and construction of an improvement jointly benefiting the State and the public body, with the fee or easement title to be conveyed to the public body for their future maintenance of the facility.

16.01.03.10 **Direct Fee Sale to Government Agencies**

Used when excess fee-owned property is sold to public entities without calling for competitive bids for consideration equal to the appraised fair market value of the property ([CTC Resolution G-98-22](#) – as amended).

16.01.03.11 **Direct Sale to Eligible Present Occupants**

Direct sale, either at fair market value to present occupants (tenants) who meet the eligibility requirements under CTC Resolution G-98-22 - as amended, commercial tenants in accordance with California Streets and Highways Code 118, or at less than fair market value (i.e., at an affordable price), to present occupants subject to [Government Code Section 54235](#), et seq.

16.01.03.12 **Direct Sale to Former Owners**

Direct sales, at fair market value, to former owners who have remained in occupancy (CTC Resolution G-98-22 – as amended).

Direct sales to former grantors in accordance with [California Code of Civil Procedure 1245.245](#). The Department can sell directly to a former grantor if the Department acquired the property subject to a resolution of necessity and the property is not used for the public purpose stated ten years following passage of the resolution.

16.01.03.13 **Direct Sale to Housing Entity**

Direct sale, at less than fair market value (i.e., at a reasonable price), to a housing entity that will use the property for low- and moderate-income housing purposes pursuant to Government Code Section 54235, et seq.

16.01.03.14 **Exchange Per Contract**

Authorized by S&H Code Section 118, whereby excess land is conveyed to a party from whom the State is acquiring right of way and by using the value of the excess land as whole or part consideration for the required property or interest needed for State highway purposes.

16.01.03.15 **Finding “A” Sales**

Direct sale to adjoining owner, without calling for competitive bids, of small, odd-shaped, fee-owned parcels incapable of independent development and having a higher and better use as part of the adjoining property or, if sold to other than the adjoining owner, would cause an undue or unfair hardship to such adjoining owner in the normal development or operation of their property (CTC Resolution G-98-22 - as amended).

16.01.03.16 **Finding “B” Sales**

The sale of such excess parcels to other than the adjoining owner would deprive such adjoining owner of vested right of access to a public highway and would create a possible cause for action against the Department (CTC Resolution G-98-22 - as amended).

16.01.03.17 **Miscellaneous Conveyances**

Pertains to the sale of State’s interests (such as access rights, mineral rights, or easements outside of the operating right of way) no longer required for operation of the highway facility.

16.01.03.18 **Fair Market Value**

A conclusion of value as defined in R/W Manual [Chapter 7, Appraisals](#). Excess land appraisals are discussed in R/W Manual Chapter 7 and Section 16.04.00.00.

16.01.03.19 **Nominal Value Appraisals**

A conclusion of value as discussed in R/W Manual [Chapter 7](#) and [Section 16.04.00.00](#).

16.01.03.20 **Public Sale Estimate (PSE)**

An estimate of current market value, in brief written form as discussed in R/W Manual [Chapter 7](#) and [Section 16.04.00.00](#).

16.01.03.21 **Private Sale**

When property is sold by sealed bid after Notices of Sale have been mailed only to adjoining owners due to the peculiar size, shape, or landlocked condition of the property which precludes its independent development.

16.01.03.22 **Public Sale**

Public sales are by voice auction, sealed bid, or continuous bid after Notices of Sale are posted on the Department's Web site, advertised by other methods and/or mailed to prospective purchasers.

16.01.03.23 **Liquidated Damages**

Liquidated damages are damages whose amount the buyer and Department designate and agree upon during the formation of a contract to sell for the injured party to collect as compensation in the event of a breach of the sale contract.

16.01.03.24 **Bid Registration Deposit**

A bid registration deposit of no less than \$1,000 shall be presented by every bidder for every oral auction or sealed bid sale. The successful high bidder shall submit this deposit at the close of the auction, to be applied toward the purchase of excess land. This deposit shall be liquidated damages if the highest bidder breaches, defaults, or withdraws in the first three days following the public sale. Bid registration deposits may be increased for sales of high value properties at the discretion of the Excess Land Manager.

16.01.03.25 **Purchase Deposit**

A purchase deposit of at least 5% of the sale price shall be remitted by the highest bidder at public sale within three days following the public sale. This deposit shall be liquidated damages if the highest bidder breaches, defaults, or withdraws after remittance of this deposit.

16.01.04.00 **Organization**

The DDC-R/W shall establish a District Excess Land Unit, hereinafter referred to as Excess Land, to efficiently and expeditiously dispose of excess land and improvements thereon in accordance with S&H Code Section 118. Responsibilities for all parcels in the Excess Land Inventory shall be properly assigned to ensure disposal in accordance with the principles outlined herein. HQ R/W will evaluate the effectiveness of the Excess Land Unit through periodic reviews and audits of district procedures.

In accordance with community planning and environmental values, sound business practice, integrity, and State law, Excess Land will:

- Minimize the number of parcels on the Excess Land Inventory.
- Minimize the holding period from date of acquisition to date of disposal.
- Maximize the return from sale of the land or interest conveyed.

16.01.05.00 Review of Appraisal Maps

Subject to final approval of the District Director (DD), Excess Land is responsible for reviewing and approving the location of right of way lines to assure that fragmentary remainders are minimized. Right of Way approval is required prior to:

- Issuance of any appraisal map that contains excess land.
- Revision of any appraisal map that affects or creates excess land.

The appraisal certification should contain documentation of the review of appraisal maps for minimizing excess.

Excess Land reviews all initial right of way requirements and any design changes in accordance with criteria in the table entitled “Review Criteria.”

Excess Land coordinates with Airspace to identify potential excess that should be included in the right of way for airspace use. Airspace reviews initial right of way requirements and design changes that create excess land adjacent to or within interchanges or adjacent to viaduct sections for potential airspace uses.

REVIEW CRITERIA		
Type of Parcel	Action	Considerations
Meets the minimum standards of local zoning ordinances, or may be granted zoning variances, and is capable of independent development.	Should not be incorporated in the right of way at the time of appraisal map review.	In evaluating potential for independent development, consider such factors as topography, size, shape, and access as well as zoning requirements.
Not capable of independent development, but may be plotted to adjoining ownerships with reasonable expectation of enhancement to the adjoining property.	Should not be incorporated in the right of way at the time of appraisal map review.	In evaluating enhancement, consider the extent to which existing improvements and development on the receiving property would have to be rearranged to make suitable use of the plotted excess parcel. Also consider the potential for rezoning and redevelopment and the interest of adjoining property owners in purchasing such excess parcels.
Not capable of independent development and not considered to have potential for reasonable enhancement to adjoining properties if plotted.	Should be incorporated in the right of way.	Consider the costs of maintenance and weed abatement and the aesthetic effect on both the community and the highway if the parcel is not incorporated and subsequently determined to be unsalable.

16.01.06.00 **Map Review Prior to Plans, Specifications, and Estimates (PS&E)**

A second review of maps is required prior to submission of PS&E to Headquarters if the project involves purchase of right of way or the creation of excess land. Parcels not originally incorporated into the right of way and parcels offered for sale with unsatisfactory results should be reconsidered for incorporation. At the conclusion of the review, Excess Land includes a statement in the PS&E submittal that it has completed a review of the contract plans and maps.

16.01.07.00 **Parcel File**

Excess Land maintains a file on every parcel in the Excess Land Inventory until final disposition is completed, including full reconveyance. The parcel file shall contain as a minimum the items listed in Exhibit 16-EX-23.

16.01.08.00 **Parcel Diary**

A parcel diary sheet is required for each disposal unit. The diary is maintained in sufficient detail to document the steps taken towards ultimate disposal of the property. It is part of the Excess Land parcel file and includes the following information as a minimum:

- **Name of Assigned Agent**
- **Signed and Dated Entries** - documenting verbal and written inquiries, review dates and suggested actions, personal contacts regarding design studies and proposed routes, and personal contacts involving sales attempts.
- **Public Sales** - dates and results.
- **Other** - any information necessary to understand the handling of the disposal unit.

The diary and/or file shall contain documentation that prior to public sale, "FOR SALE" sign(s) were posted on the property, advertisements were placed in newspaper(s) and other real estate advertisement resources when appropriate and cost effective, notices of sale were sent to appropriate governmental agencies, notices posted on the Department's excess land auction Web site, and copies of brochures were mailed to all owners adjoining the property being sold.

16.01.09.00 **Excess Land Parcel Acquisition/Disposal Summary (Form RW 16-1)**

An Excess Land Parcel Acquisition/Disposal Summary (Form RW 16-1) is prepared and maintained for each individual parcel of excess land and retained in the Excess Land parcel file during the Department's ownership.

Districts are to provide a copy of the RW 16-1 to Accounting after recordation of the Director's Deed. The Form RW 16-1 notifies Accounting to remove the VTA from the Accounting inventory.

16.01.10.00 **Excess Land Inventory Memorandum (Form RW 16-28)**

Excess Land prepares Form RW 16-28 and sends it to Accounting to record the VTA. This form is also used to make changes to the VTA. VTA additions or expenditure adjustments are due to actions district staff takes to create, adjust, return, incorporate, or delete excess parcels.

16.01.11.00 **Excess Land Fiscal Transmittal (Form RW 16-29)**

Excess Land prepares Form RW 16-29 to document fiscal transmittals to Accounting:

- **Cashiering Unit** - funds received from a buyer in connection with sale of excess land, decertification deposit, or miscellaneous fees.
- **Accounts Receivable Unit** - request regarding related adjustments, such as refunds or forfeiture of deposits.

16.01.12.00 **Discriminatory Rezoning**

Excess Land investigates and monitors local agencies' master plans and zoning proposals that may affect the Department's excess property and property held for future construction. Notification of a planning action may be by direct correspondence from the local agency or by formal notice in a newspaper of general circulation pursuant to Government Code Sections [65854](#) and [65856](#). Although formal notices are usually required, Section [65858](#) provides local agencies with authority to adopt certain interim zoning ordinances as urgency measures without the above notice requirements.

Excess Land shall notify the Legal Division when it appears a loss in value will result from a proposed planning or zoning action affecting the Department's property. Legal and Right of Way shall jointly evaluate the proposed action as promptly as practicable to allow an appropriate departmental response.

The DDC-R/W shall notify the DD immediately of any proposed master plan or rezoning activity that is unreasonable, would discriminate against the Department, or would reduce the value of the property.

Active opposition to discriminatory planning and rezoning activity is the Department's standard policy. Active opposition includes appearing at public hearings to present arguments and consulting with local agency staff. Opposition should not include efforts amounting to political pressure on individuals involved in the local planning process.

The CTC is concerned about this subject. The district may ask HQ R/W to request assistance from the Deputy Director, CTC and the CTC.

Legal shall initiate action unless the DD decides that it is not in the best interest of the Department to oppose a local agency's planning or rezoning activity. The DD shall document by memorandum the reasons for not contesting the local agency's proposed action and forward a copy of the memorandum to the Deputy Director Project Development.

Excess Land should notify HQ R/W if Legal's opposition is unsuccessful. HQ R/W will refer the matter to the Director to determine whether the case warrants filing a lawsuit against the local agency.

16.01.13.00 **Initiating Zoning Upgrades of Excess Land**

Agency Action Request approved April 16, 1997 allows the district, with prior approval from HQ R/W, to initiate zoning upgrades of excess land.

The district may consider hiring consultants to obtain zoning upgrades and entitlements for excess property in limited cases. The district must prepare a marketing analysis demonstrating the benefits clearly exceed the risks and costs. The analysis is retained in the district and a copy must be forwarded to HQ R/W. HQ R/W approval of the analysis is not required.

The district may ask HQ R/W to request that the Deputy Director, CTC provide advisory assistance to the district in developing the plan.

NOTES:

16.02.00.00 - EXCESS LAND INVENTORY

16.02.01.00 **Inventory**

Excess Land maintains records in the Excess Land Management System (ELMS) of all parcels defined as “excess land,” inventory and noninventory. There are three independent records of excess land that constitute the official inventories:

- **Accounting Records** - General ledger accounts maintained by the Accounting Service Center (ASC). ASC records do not include noninventory parcels.
- **Right of Way Record Maps** - maintained by Right of Way Engineering.
- **Excess Land Parcel Files** - maintained by Right of Way.

Each record serves a separate purpose; together they provide a comprehensive record of accountability that facilitates management and disposition of excess land. The respective functions independently input data to the inventory from the three basic records. The three records must be kept current and the Right of Way Record Maps and Excess Land Parcel files (see Section 16.02.06.00) must be reconciled.

On federal-aid projects, all excess land files and documents, including maps, Inventory Disposal Records, correspondence, options, leases, notices, contracts, and agreements, shall carry the federal-aid project number for federal vouchering purposes.

ELMS is used to record, monitor, reconcile, and report the status of the excess land inventory. The ELMS User’s Handbook for use of this system is available in the district or from HQ R/W on request. All parcels in the ELMS are carried in “disposal units” consisting of one or more parcels. Multiple parcel disposal units may be split or combined (along original acquisition parcel lines ONLY) at the discretion of the Excess Land Manager to optimize the marketability or disposal potential as necessary. Each parcel has an inventory or noninventory category. Disposal units may be comprised of both inventory and noninventory parcels.

16.02.02.00 **Inventory Categories**

The inventory categories are as follows:

- 1 - Disposable Category**
 - 1A - Available for immediate sale
- 2 - Hold Category**
 - 2A - Engineering Hold
 - 2B - Public Agency Hold
 - 2C - Administrative/Legal Hold
 - 2D - Environmental Hold
- 3 - Entry Category**
 - 3 - New excess land pending immediate clearance or pending hold category assignment

16.02.03.00 **Inventory Process and Control**

New excess parcels are placed in Category 3 pending clearance and transfer to another category. (See 16.03.00.00 for clearance procedures). Parcels can remain in Category 3 no longer than 90 days and are automatically classified as 1A (available for sale) at 90 days.

Parcels in Category 1A should be disposed of as soon as possible. In accordance with Streets & Highways Code Section 118.6, property must be offered for sale within 12 months from the time it is determined to be surplus. Parcels in Category 1A that do not have clearances, valuations, and/or maps and deeds are NOT available for immediate sale, and should be transferred immediately to the appropriate hold category. Authority to transfer excess from 1A to a hold category requires specified approvals by the district Real Property Retention Review Committee (RPRRC).

16.02.04.00 **RPRRC and Transmittal of Hold Requests**

The DD appoints the RPRRC to evaluate properties to be retained. The committee meets at least annually, or more frequently as required.

At least two weeks prior to the RPRRC meeting, Excess Land staff transmits requests for approvals to hold excess land to RPRRC with:

- Map of the property.
- Signed Form RW 16-3.
- Any other data that could facilitate review.

Upon request, the RPRRC Chair can extend a hold up to 12 months by entering the extension date on the current RW 16-3 and initialing and dating the form.

New holds required before a scheduled meeting shall be placed in the appropriate hold category with approval of the RPRRC Chair. The “release date” on the RW 16-3 will be the meeting date plus one month.

Excess Land staff is responsible for updating entries into the ELMS upon approval of hold requests.

Headquarters staff is responsible for reviewing ELMS reports and periodically auditing district files of RW 16-3 forms to assure procedures and approvals are correctly being followed.

See the “Inventory Matrix” on the following pages for additional information.

16.02.05.00 **Inventory Value - Value at Time of Acquisition (VTA)**

Inventory value is the fair market value at the time of acquisition of the excess considered as a separate parcel. The inventory value may not exceed the acquisition cost (pro rata cost) of the excess parcel.

ASC practice requires carrying the VTA as the parcel value on inventory; it is the lower of cost or market value at the time of acquisition.

An arbitrary VTA of \$1.00 may be used in the following situations:

- The Department acquired title to the excess by donation or legislative enactment.
- The value at the time of acquisition cannot be determined or estimated (e.g., lost records).
- The actual cost is less than \$1.00.

16.02.05.01 Items Not Included in VTA

The following items are not included in the VTA even though they may be part of the Department’s capital cost of acquisition:

- Cost of easements (see Section 16.03.07.00 for special treatment of easements).
- Cost of personal property since these are inventory items in the property management files.
- Damage payments on partial acquisition parcels.
- Relocation assistance payments.
- Demolition costs incurred in the removal of improvements.

INVENTORY VALUES	
Type of Parcel	Value
Regular Excess Parcels Acquired Through Acquisition	The VTA from the “Federal Participation Memorandum” (Form ASCRW 8-16) or from Form RW 7-13 in the acquisition appraisal.
Rescinded Route Parcels	The cost of acquisition shown in the MOS including, if applicable, the credit received for exchanged parcels. If credits to the acquisition cost are made, adjust the VTA to reflect these credits after preparing an Analysis of Cost with Adjustments to Inventory Value, Form RW 16-2, for inclusion in the Excess Land parcel file.
Excess Created by Design Change or Adjoining Owner Request	Established by Excess Land as if the parcels were regular excess. (Examples include decertifications, revisions, and downscoped projects.)
Former Maintenance Stations and Material or Disposal Sites	The value of the property at the time of acquisition. Adjustments, if any, are made in accordance with ASC procedures.

INVENTORY MATRIX

CATEGORY		DESCRIPTION	PROCESS
1 - Disposable	1A	<p>Parcels Available for Immediate Sale - placed in Category 1A and disposed of as soon as possible.</p> <p>Parcels in Category 1A that do not have clearances, valuations, and/or maps and deeds are NOT available for immediate sale, and should be transferred immediately to the appropriate hold category.</p> <p>Authority to transfer excess to any other category requires approvals as described in Section 16.02.04.00.</p>	<p>Dispose of in accordance with guidelines set forth in Section 16.05.00.00.</p> <p>Handle improved properties occupied by former owner or on rescinded routes in accordance with CTC Resolution G-2 and Government Code Sections 54235, 54237, and 54238.6.</p>
2 - Hold	2A	<p>Parcels held at the specific request of an engineering branch for possible additional right of way requirement or mitigation purposes:</p> <ul style="list-style-type: none"> • On the same project for which the parcel was acquired. • For possible additional right of way requirement for another project. • Parcels required for operational purposes, for example: <ul style="list-style-type: none"> – To provide the contractor with improved access to a construction site. – For a batch plant site or similar use. – For parking space for trailers to be used by engineering personnel (vacant land only). – For temporary detours. – For temporary material/disposal sites 	<p>Each application must contain the STIP year and number and the PSR approval date. In addition, each application must specifically identify the planned use for the property and the date by which the parcel will be transferred to the project or released. A parcel map must be attached to each application.</p> <p>Hold approval subject to the review process in Section 16.02.04.00.</p>

INVENTORY MATRIX

CATEGORY		DESCRIPTION	PROCESS
2 - Hold (Cont.)	2B	<p>Parcels Held for Sale to a Public Agency - parcels shall not be held for a public agency unless an official authorized to bind the agency to buy the land submits a written, signed request within 60 days after the property is offered. With RPRRC's approval, the property may be held up to a maximum of one year after receipt of the written request and deposit. This allows the agency time to arrange financing. The request must contain:</p> <ul style="list-style-type: none"> • Property description or map. • The public purpose to which the land will be put. • The agency's intent to buy the property. • The date the sale will be concluded and reason for delay, if any. <p>Authority for direct sales to public agencies is contained in Government Code Section 54220, et seq.; State Constitution, Article XIX, Section 9; S&H Code Sections 104.15 and 118.6; and CTC Resolution No. G-2.</p>	<p><u>Coastal Zone Property</u> (Section 9, Article XIX State Constitution):</p> <p>Order maps and legal descriptions if not previously requested.</p> <p><u>Other:</u></p> <p>Order maps, deeds, and appraisals if not previously requested.</p> <p>Offer property at market value after appraisal approved and give 60 days to respond.</p> <p>If official written acceptance not received within 60 days, transfer to Category 1A and sell.</p>

INVENTORY MATRIX

CATEGORY		DESCRIPTION	PROCESS
2 - Hold (Cont.)	2C	<p>Parcels Held for Administrative or Legal reasons - examples are:</p> <ul style="list-style-type: none"> • Clearances, valuations, maps/deeds not completed. • Relocation assistance or replenishment housing purposes. • Pending resolution of potential claims against the Department. • Judicial or legislative actions. • Routes that are candidates for rescission or downscoping. • Written instructions to hold received from CTC, the Director, or the HQ R/W Program Manager. • Parcels held for optimum return or for exchange. <p>Examples include:</p> <ul style="list-style-type: none"> – Other acquisition of adjacent land will provide access or make salable unit, – Access will not be available until construction is completed, – Exchange for needed right of way requested by Acquisition. 	<p>Document holds by written communication from the appropriate department including the reason for the hold and the release date.</p> <p>Hold approval subject to the review process in Section 16.02.04.00.</p> <p>Document economic justification where optimum return claimed as basis for hold.</p> <p>Document hold request for exchange with a memo from Acquisition justifying the hold.</p>
	2D	Parcel held for environmental compliance or for mitigation purposes.	Document reasons for the hold.

INVENTORY MATRIX

CATEGORY		DESCRIPTION	PROCESS
3 - Entry	3	<p>Temporary Hold for Clearance - place new parcels in this category pending clearance and transfer to another category.</p> <p>Parcels cannot remain in this category longer than 90 days. The ELMS will automatically place Category 3 disposal units in 1A after 90 days. To subsequently transfer from 1A to a hold category, follow the approval process in Section 16.02 04.00</p>	<p>Upon entry, immediately obtain internal functional clearances; e.g.,</p> <ul style="list-style-type: none"> • Relocation Assistance • Property Management • Park and Ride • Utilities • Environmental • Maintenance • Project Development • Planning <p>Obtain clearances from other governmental agencies, where appropriate:</p> <ul style="list-style-type: none"> • Department of General Services • Division of Aeronautics • OPR and HCD • Departments of Parks and Recreation, Fish and Game, and the Wildlife Conservation Board and the State Coastal Conservancy • Local agencies <p>Select disposal method, where possible.</p> <p>Select category.</p> <p>Obtain approvals for holds, where appropriate. Request maps, deeds, appraisals, etc.</p> <p>Transfer to appropriate category within 90 days whether clearances have been obtained or not.</p>

16.02.05.02 Adjustments to VTA

Adjustments to the VTA may be required in the following situations:

- Improvements have been sold or removed.
- A portion of the property has been sold as excess land.
- The cost includes prepaid bond assessments and refunds have been received.
- Portions of the property have been encumbered with public roads under cooperative agreement or encroachment permits in anticipation of the proposed project.
- The property has been encumbered with utility easements.
- The property has been encumbered with private easements for access or other purposes.

16.02.06.00 Annual Inventory Review

The State Administrative Manual Section 8652 requires that a physical inventory be conducted at least once every three years for all parcels with a VTA over \$5,000. This inventory is to assure that records are accurate and that all parcels have had a field review.

A district “Excess Land Record Review Team” to review records should consist of one member from Right of Way Engineering/Land Surveys, and one from Excess Land. The “Excess Land Field Review Team” to review parcels in the field may have the same members, or at the option of the district, consist of one member from Property Management and one from Excess Land.

The teams must determine that right of way record maps, excess land inventory, and excess land sales files depict ownership of the same land. See the table entitled “Review Process.”

The Excess Land member is the team leader and is responsible for ensuring that:

- An annual review is completed to assure covering the entire inventory within a three-year period;
- All discrepancies are identified and brought to the attention of Right of Way district management for resolution.

The team members are responsible for reviewing the inventory, files, record maps, and parcels in the field. The team members shall sign a verification statement confirming that the review was completed according to this section.

The review is based on current fiscal year data. The Excess Land member assures that the annual review is done by June 30, and that a report of the results is completed no later than July 31 of the same year. A computer-generated “Right of Way Inventory Review Worksheet (RWM 834-A)” is available to assist in both record reviews and field reviews.

REVIEW PROCESS		
Step No.	Action	Description
1	Selection	Select sufficient excess land annually to allow a review of the total inventory within a three-year period. The RWM 834-A, organized by route and post mile, should be used to compare the Right of Way Record Maps and Excess Land Parcel files. Depending on the size of the inventory, a 100% review may be feasible in one annual review. In this instance, the next review would not be due for three years, unless a significant number of parcels are added in the intervening years.
2	Review of Records	<p>The following records must be reviewed for each parcel selected. Each should contain the listed minimum information:</p> <p><u>Right of Way Record Maps:</u></p> <ul style="list-style-type: none"> • The total excess parcel delineated. • The excess parcel identified by a ten-digit number. • The area of the excess shown, either on the map proper or in the property box. <p><u>Excess Land Parcel Files:</u></p> <ul style="list-style-type: none"> • A copy of a map denoting the excess. • Form RW 16-1, "Excess Land Parcel Acquisition/Disposal Summary." <p><u>Excess Land Inventory:</u> A ten-digit parcel number must appear on the RWM 834-A.</p>
3	Comparison	<p>Compare the three sets of records:</p> <ul style="list-style-type: none"> • Record Maps - find a corresponding number on the inventory and an excess land parcel file for each parcel. • Excess Land Files - find a corresponding number on the inventory and identification of the parcel on the record maps for each parcel. • <p>Identify any discrepancies found between the records and note them on the RWM 834-A. Minor discrepancies in area should be corrected by R/W Engineering prior to disposing of the parcel. A major discrepancy may require a field review by the Records Review Team.</p>
4	Physical Inventory	<p>The Field Review Team conducts a field review of parcels. Selection should be by route for optimum results per travel day. The same RWM 834-A used for the record review should also be used for the field review. Field reviews determine whether the parcel:</p> <ul style="list-style-type: none"> • Requires any weed abatement; • Is littered or is becoming a dump site; • Has no obvious presence of hazardous waste; • Appears to be unsafe; • Has any encroachments or unauthorized occupants; and • Appears to be the same size and configuration as shown on record maps. <p>Note any problems found on the RWM 834-A. Photos can be useful for documentation purposes.</p>

REVIEW PROCESS		
Step No.	Action	Description
5	Documentation	<p>The RWM 834-A serves as the working papers. It shall include:</p> <ul style="list-style-type: none"> • Names of team members. List Records Review Team and Field Review Team members separately as necessary. • Signed team verification and dates of inspection. • Date next review is required. • • List of elements checked and identification of discrepancies in the records. • • Identification of deficiencies in physical condition.
6	Report	<p>The report summarizes by county, route, and post mile limits:</p> <ul style="list-style-type: none"> • How many parcels were reviewed; • How many parcels were in compliance; • How many parcels were not in compliance; • Any discrepancies found among the two record sources, such as area differences, are noted on the RWM 834-A. Major discrepancies will need to be researched and corrected as part of a follow-up process; • Deficiencies in the physical condition of the parcels are noted on the RWM 834-A; • A follow-up plan and schedule to correct any deficiencies is noted on the RWM 834-A. <p>The Team Leader prepares the report for review by the Excess Land Manager. The final report is sent to the DDC-R/W, with informational copies to the HQ offices for R/W Engineering, Property Management, and Excess Land.</p>
7	Corrections	The districts are responsible for correcting the discrepancies, errors, and deficiencies.
8	Certification	<p>HQ R/W will send a certification letter to the Chief of the Cashiering, Assets, and Special Funds Branch of the ASC annually, as of August 1. This letter summarizes the results for all districts and:</p> <ul style="list-style-type: none"> • Certifies that the annual review has been completed and complies with the State Administrative Manual Requirements; • Gives the date of the next annual review required to meet the three-year total inventory review requirement; and • States that the report and working papers are on file in the district for any subsequent audit review.

16.03.00.00 - CLEARANCE PROCEDURES

16.03.01.00 Various Functional Reviews

Excess Land establishes clearance procedures to assure that the property is not required for a definite use by other units in the Department. The various functional units are consulted, including:

- **Acquisition** - to determine if the excess is needed for exchange.
- **Relocation Assistance** - to determine if an eligible relocatee is in possession of an improved property or if the property can be used by a displacee.
- **Property Management (Rentals and Clearance)** - to determine whether a State tenant occupies the property. If a property will be sold subject to a tenancy, no State property shall be removed without full knowledge of its removal being given to prospective purchasers. If the State is leasing or renting the property to be sold, Property Management attaches a copy of the lease or rental agreement to the clearance document.
- **Utilities** - to determine if the excess parcels are needed for utility purposes.
- **Park and Ride** - to determine if the excess is suitable for use as a Park and Ride lot. Selected and approved parcels are incorporated into the right of way for the Park and Ride project.
- **Environmental** - to determine if the excess has potential for use as a mitigation site, either for projects currently being developed or for mitigation banking purposes. The District Environmental Branch will determine which parcels are suitable for such use. These parcels will be transferred to Category 2D.
- **Planning** - to determine if the excess is required by any planning project.
- **Project Development** - to determine if the excess is needed for a project.
- **Maintenance** - to determine if the excess is needed for maintenance purposes.

16.03.02.00 Environmental Compliance

Excess properties are analyzed prior to disposal to determine if they are categorically exempt from the requirements of the California Environmental Quality Act (CEQA). Environmental and Excess Land jointly determine the CEQA requirements for excess land sales. CEQA requirements for surplus government property are contained in Class 12, CEQA Guidelines 15312. (See Section 16.12.02.00.)

Excess Land should initiate environmental compliance procedures as soon as it knows property may become excess. Although most parcels can be cleared in less than 30 days, the process may require several months if an environmental document is required.

See the table entitled “Environmental Compliance Process” on the following page for additional information on environmental clearance.

ENVIRONMENTAL COMPLIANCE PROCESS		
	Excess Land	Environmental
All Excess	Circulates all excess parcels through Environmental for completion of a preliminary survey.	<ul style="list-style-type: none"> • Conducts preliminary survey to identify any factors that may disqualify the proposed sales from being categorically exempt.
Categorically Exempt	<p>Retains the Categorical Exemption Determination Form in the Excess Land file.</p> <p>Assesses the real estate market to determine an appropriate time frame for disposal that avoids significant disruption of the market. Careful planning is required to assure the disposal program avoids adverse cumulative effects. The sale of property that is categorically exempt shall not be delayed because other parcels in the area may not be exempt. The Sales Notice to Bidders should clearly state that sale of the excess is exempt from CEQA, but that future development or alteration of the property may be subject to CEQA and other environmental permit processes. (See Section 16.05.04.00.)</p>	Notifies Excess Land promptly upon determination that a parcel is categorically exempt and completes a Categorical Exemption Determination Form.
Not Categorically Exempt	<p>Offers properties with notable environmental value to other governmental agencies, pursuant to S&H Code Section 118.6, at their current appraised fair market value. Transfer of such properties normally does not require an environmental document if the existing use of the property is expected to remain the same. Properties that require an environmental document are not advertised for sale or sold until the environmental document is completed and the Notice of Determination (NOD) is filed and the 30-day legal challenge period has expired.</p> <p>The Sales Notice shall state whether an ND or EIR was prepared.</p>	<p>Prepares an environmental document, Negative Declaration (ND) or Environmental Impact Report (EIR), as appropriate, if governmental agencies are unwilling or unable to purchase the properties within a reasonable time.</p> <p>Prepares and files the NOD with the Office of Planning and Research.</p>

16.03.03.00 **Hazardous Substances**

Excess parcels may not be offered for sale until the District Hazardous Substances Coordinator has provided a Hazardous Substances Disclosure Document allowing sale of the parcel. The disclosure document will certify one of the following three conditions:

1. The parcel is clear of hazardous substances and may be offered for sale; or
2. That hazardous substances exist on the property but the property may be offered for sale with appropriate and full information disclosure regarding the nature and extent of the contamination; or
3. That hazardous substances exist/may exist on the property and further investigation or remediation is required, and the disclosure document is an attachment to an Excess Land Hold Request.

The Hold Request must show the Project Manager an estimated schedule for the investigation or remediation. The responsible unit for the investigation or remediation will normally be the unit that controlled or maintained the property (e.g., Facilities, Maintenance, Traffic Operations).

16.03.03.01 **Lead-Based-Paint Disclosure**

For properties constructed prior to 1978, Excess Land must disclose the possible exposure to lead-based paints. See Excess Land Reference File 96-06 for procedures, forms, and requirements.

16.03.04.00 **Notices to Other State Agencies**

Notification to other State agencies of the proposed sale of excess land is required as shown on the table entitled "Notice Requirements for Other State Agencies" on the following pages.

Offers of direct sale to federal agencies may be made at the discretion of the Excess Land Manager based on knowledge of interest by a federal agency or physical proximity to a federal facility.

16.03.05.00 **Offers to Local Public Agencies and State Resources Agency**

Before any excess real property, except surplus residential property as defined in Government Code Section 54236, is offered for sale to the public, it must be offered for sale or lease to local public agencies, housing authorities, or redevelopment agencies within whose jurisdiction the property is located. (See Streets & Highways Code Section 118(a)(2).)

Excess Land must send Offers to Sell or Lease Surplus Land, Exhibit 16-EX-4, as shown below on the table entitled "Requirements for Offering to Local Public Agencies." The important elements of the offer are shown on the table entitled "Elements of Offer."

Other than the offers as required by statute for low/moderate income housing or park/recreational use, offers of direct sale to local public agencies are at the discretion of the Excess Land Manager.

REQUIREMENTS FOR OFFERING TO LOCAL PUBLIC AGENCIES

Purpose	Sent to	Remarks
Developing low- and moderate-income housing	Any local public agencies including, but not limited to, housing authorities or redevelopment agencies within whose jurisdiction the surplus land is located.	With respect to any offer to purchase or lease, priority shall be given to offers for development of the land to provide affordable housing for lower income elderly or disabled persons or households, and other lower income households.
Park and recreational or open-space	<ul style="list-style-type: none"> • Any park or recreation department of any city within which the land is situated. • Any park or recreation department of the county within which the land is situated. • Any regional park authority having jurisdiction within the area in which the land is situated. • The State Resources Agency or any agency that may succeed to its powers. 	
Enterprise zone	Nonprofit neighborhood enterprise association corporation if the surplus is within such jurisdiction.	Pursuant to Government Code Section 7073. (See Section 16.12.03.00.)
Designated program area	Program area agent.	As defined in subdivision (i) of Government Code Section 7082. (See Section 16.12.03.00.)
School purposes	Public school districts whose jurisdiction is involved.	Pursuant to Government Code Section 54222.

NOTICE REQUIREMENTS FOR OTHER STATE AGENCIES

State Agency	Description of Property	Process	Minimum Information Required
Department of General Services Real Estate Services Division Attn. : Real Estate Sales Section 400 R Street, Suite 5000 Sacramento, CA 95814	<ul style="list-style-type: none"> • Any parcel, regardless of size, that abuts property owned by another branch of State government • Any parcel, one acre or larger in size, that has access to a public road • Any parcel, regardless of size, that in the district's opinion may be of value or use to another State agency 	Send a letter to DGS. (See Exhibit 16-EX-2.) If a response is not received within the 60 days, dispose of the property in the normal manner.	<ul style="list-style-type: none"> • General location or vicinity map • Detailed parcel map showing local roads and streets and any adjoining property owned or controlled by any branch of State government • Appraised value, if available, or a statement that a fair market value appraisal will be made if there is an affirmative response
Department of Transportation Aeronautics Program P.O. Box 942873 Sacramento, CA 95273-0001	Any parcel within a two-mile radius of any public airport.	Send a notice to Aeronautics. (See Exhibit 16-EX-2.) Aeronautics notifies the appropriate Airport Director of the availability of properties. The notification prescribes a 60-day response time and specifies the name and phone number of a contact person. During the prescribed 60-day period, the Airport Director should notify the district directly of their needs for the parcel. If a response is not received within the 60 days, dispose of the property in the normal manner.	<ul style="list-style-type: none"> • Present zoning • Highest and best use • Topography • Improvements, if any • Encumbrances or copy of State's policy of title insurance • Other remarks as appropriate, e.g., access, utilities available
Housing and Community Development (HCD) 1800 Third Street Sacramento, CA 95814	Parcels that local public agencies have not expressed interest in purchasing but that may have unique affordable housing potential, as determined by HCD in isolated cases.	Send copies to HCD of all offers of property to local public agencies in accordance with statutory requirements outlined in Section 16.03.05.00. HCD notifies Caltrans within the prescribed 60-day period on a case-by-case basis and requests that the parcel be withheld from immediate sale for a specific time.	Copy of the offer to the local public agency.

NOTICE REQUIREMENTS FOR OTHER STATE AGENCIES (Continued)

State Agency	Description of Property	Process	Minimum Information Required
<ul style="list-style-type: none"> • Department of Parks and Recreation P.O. Box 942896 Sacramento, CA 95814 • Department of Fish and Game 1416 Ninth St., 12th Floor Sacramento, CA 95814 • Wildlife Conservation Board 801 K Street, Suite 806 Sacramento, CA 95814 • State Coastal Conservancy 1330 Broadway, Suite 1100 Oakland, CA 94612-2530 	<p>Excess parcels that meet the requirements of Section 9, Article XIX, State Constitution</p> <ul style="list-style-type: none"> • Coastal Zone land as defined in Section 9 • Lands within 1000 yards of any property that has been listed on, or determined by the State Office of Historic Preservation to be eligible for, the National Register of Historic Places • Lands within the Lake Tahoe region as defined in Government Code Section 66905.5 	<p>Notify the listed State agencies. Any proposed sale of such land requires authorization by the Legislature.</p> <p>If the agencies do not respond within 60 days, dispose of the property in the normal manner.</p> <p>Notification requirements do NOT apply to “exempt surplus land.” To be considered exempt, the surplus land must be sold to an owner of contiguous land and must meet one of the following criteria:</p> <ol style="list-style-type: none"> 1. Less than 5,000 square feet in area. 2. Less than the minimum legal residential building lot size for the local jurisdiction or 5,000 square feet in area, whichever is less. 3. Has no record access; is less than 10,000 square feet in area; is not contiguous to land owned by a State or local public agency that is used for park, recreational, open-space or low- and moderate-income housing purposes; and is not located within an enterprise zone pursuant to Government Code Section 7073 nor a designated program area as defined in Government Code Section 7082. (See Section 16.12.03.00.) 	<ul style="list-style-type: none"> • Parcel number • Area • Location • Acquisition cost • Overhead to acquire the property

ELEMENTS OF OFFER	
Element	Explanation
Leasing Property To Be Sold at Fair Market Value	<p>Any direct sale pursuant to Government Code Sections 54220 et seq. must be at current fair market value.</p> <p>The Department may only lease surplus real property pending the sale or exchange of such property (see S&H Code Section 118.6). The lease rate must be high enough to ensure that the eventual sales price of the parcel, when sold subject to the lease, is no less than the fair market value of the property if sold unencumbered by such lease.</p>
Notification of Intent To Purchase or Lease Surplus Land	The entity desiring to purchase or lease surplus land must notify the Department in writing of its intent within 60 days after receipt of the Offer to Sell or Lease Surplus Land.
Resales of Land for Development of Low- and Moderate-Income Housing	A local public agency, housing authority, or redevelopment agency that purchases land from the Department may reconvey the land to a nonprofit or for-profit housing developer for development of low- and moderate- income housing as authorized by law.
Payment Period	<p>Government Code Section 54225 allows the Department to provide for a payment period of up to 20 years in any contract of sale or sale by trust deed for:</p> <ul style="list-style-type: none"> • Surplus land to be used for park, recreation, open-space, or school purposes. • Improved surplus land to be used for low- and moderate- income housing purposes. <p>S&H Code Section 118 allows the Department to provide a longer payment period of up to 40 years in any contract of sale or sale by trust deed for improved and unimproved surplus land to be used for low- and moderate-income housing purposes.</p>
Multiple Offers	If the Department receives offers to purchase or lease from more than one eligible entity, first priority shall be given to the entity that agrees to use the site for housing for persons and families of low- or moderate- income. By exception, first priority shall be given to an entity that agrees to use the site for park or recreational purposes if the land being offered is already being used and will continue to be used for park or recreational purposes, or if the land is designated for park and recreational use in the local general plan and will be developed for that purpose.

The preferred disposition for these properties is a direct sale, and when notice is received from two or more public agencies, preference shall be given to an agency that proposes to purchase the property.

When a notice is received from any entity desiring to purchase or lease surplus land, the district prepares:

- **Appraisal** - of the fair market value if sold.
- **Lease rate** - if the property is to be leased pending sale or exchange.

After completion of an appraisal or lease rate determination, the district and the entity negotiate to determine mutually satisfactory sales or lease terms (sales price must be based on the fair market value appraisal). If the price or terms cannot be agreed upon after 60 days, Excess Land may dispose of the surplus land.

16.03.06.00 **Outdoor Advertising Signs**

Excess Land must assure that the Department has no obligation for outdoor advertising signs located on excess property that continues beyond the sale of such property. Excess Land determines whether or not a sign is located on the property prior to sale by:

- Reviewing the appraisal and acquisition documents.
- Clearing the property for sale through Property Management.
- Visually inspecting the property.

To determine the status of any existing signs, Excess Land sends a Request for Information on Signs, Exhibit 7-EX-11 to HQ R/W, Outdoor Advertising Unit, and proceeds as shown on the table on the following page after receiving a response.

If previously-sold excess property involves outdoor advertising signs where the Department retains a contractual obligation to ultimately pay when said signs are removed, Excess Land should review the situation in detail and coordinate with the Outdoor Advertising unit for clearance.

16.03.07.00 **Clearance of Other Items**

Excess Land should ensure that a parcel is not conveyed until it determines the State has no unfilled contractual obligations to convey easements or other rights for utility or other purposes over the property. If any such unfulfilled obligations exist, appropriate exceptions or reservations shall be included in the Director's Deed. Such items should be brought to the attention of prospective purchasers in the Sales Notice.

Procedures for clearance of other items are shown in the table entitled "Procedures for Clearance of Other Items."

OUTDOOR ADVERTISING SIGN OBLIGATIONS		
Sign Status	No Executed R/W Contract and Quitclaim Deed	Executed R/W Contract & Quitclaim Deed Covering Sign Relocation/Removal
<p>Illegal Sign - Sign that was illegally placed on State highway right of way and one that does not have a current State Outdoor Advertising Permit.</p>	<p>Notify sign owner to remove the sign. Removal must be accomplished prior to sale of the property.</p>	<p>If sign owner refuses to remove sign, Clearance and Demolition has sign removed and bills owner for cost.</p>
<p>Nonconforming Sign - Sign was lawfully placed but does not conform to current law.</p>	<p>Have the sign removed as a right of way obligation prior to sale of the excess property.</p>	<p>Have sign owner execute an Advertising Structure Agreement and a rescinded Right of Way Contract.</p> <p>Consult with Legal about filing an action to rescind the existing contract if sign owner refuses to execute an agreement and/or a rescinded contract.</p>
<p>Old Advertising Structure Agreement</p> <ul style="list-style-type: none"> • Nonconforming Signs - Sign occupies property under an old agreement with a termination clause but no reference to highway construction. • Conforming Signs - Sign conforms to current law. Occupies property under an old agreement with ambiguous termination clauses, e.g., one clause provides termination by 30-day notice; another ties removal of sign to future highway construction. 	<p>Sell the property subject to the sign interest.</p>	<p>As an alternative to expedite sale of the excess property, order sign owner to remove the sign. The Department shall pay the amount set forth in the existing Right of Way Contract.</p>
	<p>Property Management has sign owner execute a new Advertising Structure Agreement prior to sale.</p> <p>Consult with Legal on the next appropriate action if sign owner refuses to execute a new agreement.</p>	

PROCEDURES FOR CLEARANCE OF OTHER ITEMS

Item	Procedure
<p>Fee Conveyances Prior to Easement Conveyance Over Same Parcel</p>	<p>Where the State has easements that cross excess land that have not yet been conveyed to a third party pursuant to a contractual obligation, it is permissible to include the clause below in the fee Director’s Deed of the affected excess parcels. The clause is to be used only when a Director’s Deed easement across excess has not been recorded and posted on the Right of Way Record Maps at the time the Director’s Deed for conveyance of the excess is prepared. When the easement deed is recorded and posted prior to preparation of the Director’s Deed for conveyance of the fee excess, the Director’s Deed of fee will make no mention of the easement except for the clause printed on the Director’s Deed form that states “...subject to special assessments, if any, restrictions, reservations and easements of record.”</p> <p align="center">“Subject to an easement granted or to be granted to (name of company) for (purpose of easement) and incidents thereto upon, over and across: (Description of easement area).”</p> <p>It is essential that the “name of company,” “purpose of easement,” and “description of easement” are identical in the Director’s Deed for the easement and the Director’s Deed for the excess fee.</p> <p>Under normal circumstances, property or other rights acquired expressly pursuant to a contractual obligation or easements being conveyed over excess lands are not part of the Excess Land Inventory.</p>
<p>Easements No Longer Needed for Transportation Purposes</p>	<p>Easements no longer required for transportation purposes may either be vacated or sold pursuant to S&H Code Section 118.6, depending on the circumstances. The DDC-R/W determines the method of disposal after considering the facts. Although easements are normally vacated, they can be appraised and disposed of in the normal manner where circumstances warrant, such as when easements are acquired for a transportation use but are never used.</p> <p>When easements are no longer needed, they are added to the ELMS. The decision on whether they are classified as inventory or non-inventory is based on definitions contained in the user’s handbook.</p>
<p>Superseded Fee-Owned Right of Way</p>	<p>When title to a superseded right of way is owned in fee, it may be conveyed to a private owner only by Director’s Deed. Salable segments of such right of way may be used in exchange the same as any other fee-owned property.</p>
<p>Excess Property That Has a History of Soil Instability</p>	<p>The clause below is included in all Director’s Deeds, Sales Contracts, and Sales Notices used in the disposal of excess properties that have a history of soil instability caused in part or entirely by State highway construction.</p> <p align="center">“It is mutually agreed and understood that this property may be subject to soil instability and that the grantees, for themselves and their successors or assigns, hereby waive any and all claims for damages resulting from further earth movement or soil instability which may occur because of prior actions by the State of California, its officers, agents and employees.”</p>

PROCEDURES FOR CLEARANCE OF OTHER ITEMS (Continued)

Item	Procedure
Parcel Contractual Obligation Review	<p>All excess land resulting from partial acquisitions is subject to a contractual obligation review prior to sale. Evidence of a completed contractual obligation review is first noted in the Parcel Diary and then in the property description portion of Form RW 16-1 at the time the résumé package is submitted for CTC approval by the following statement:</p> <p align="center">“A parcel review has been completed and there are no contractual obligations”.</p> <p>If contractual obligations are found, their disposition must be explained in full.</p>
Flood Hazard Notice	<p>The following notice is placed in all Sales Notices when there is a potential for flood hazards:</p> <p align="center">“CAUTION: We are hereby putting you on notice that this property may be subject to potential flood hazards. The Department of Transportation does not assume any liability for any damage which may be caused by such flood hazards. We recommend that you fully investigate the potentiality of such hazards with the appropriate Federal, State and local agencies.”</p>
Excess Property Located in Fault Hazard Zones	<p>Section 2621.9 of the Public Resources Code (See Section 16.12.04.00) requires any person who is a seller or acting as an agent for a seller of real property located within a “delineated special studies zone” to disclose to any prospective purchaser of such property the fact that it is located within such a zone. To ensure the Department complies with all statutory requirements, the following statement is added to all contracts and agreements and to all Sales Notices used to notify prospective purchasers of the Department’s intent to dispose of real property located within a special studies zone:</p> <p align="center">“The real property which is the subject of this sale may be situated within a Special Studies Zone as so designated under the Alquist-Priolo Special Studies Zones Act Sections 2621-2625, inclusive, of the California Public Resources Code. As such, approval of any future construction or development of any structures for human occupancy on this property may be subject to the findings contained in a geologic report prepared by a geologist registered in the State of California. No representations on this subject are made by the Department of Transportation, and any prospective purchasers should make their own inquiry or investigation into the potential effects of this Act on this Property.”</p> <p>The California Division of Mines and Geology’s Special Publication No. 42 contains an index to individual quadrangle maps that can be used to determine if excess property is located in a Fault Hazard Zone.</p>

NOTES:

16.04.00.00 - EXCESS LAND APPRAISAL

16.04.01.00 General

The appraisal or value estimate is the basis on which property is sold, and no property may be disposed of until valuation is completed. Excess land valuations shall conform to guidelines set forth in the Appraisal Chapter.

An appraisal is required for utility easements to be located on excess land, except where providing the easement is the State's obligation pursuant to a contractual obligation or S&H Code Section 702 or 703, or if the right of way was acquired pursuant to S&H Code Section 83 with the utility already there.

16.04.02.00 Public Sale Estimates (PSE)

Either a market value appraisal or a public sale estimate, as defined in the Appraisal Chapter, is sufficient for determining minimum bids when excess land is offered at public sale. Generally, the least intensive report shall be prepared where the proposed sale method is by public sale.

At the discretion of the DDC-R/W, an Agent assigned to either Appraisals or Excess Land may prepare public sale estimates. Value conclusions are reviewed and approved by a Senior Right of Way Agent assigned to Appraisals. Alternately, a Senior Right of Way Agent assigned to Excess Lands may review and approve appraisals where the value conclusion is \$15,000 or less, and Public Sales Estimates where the estimated value is \$500,000 or less. Consideration, however, should always be given to having complex and/or controversial valuations prepared by the Appraisal unit regardless of value. Annual reviews are not required for appraisals and public sale estimates used in connection with public sales.

16.04.03.00 Market Value Appraisals

A market value appraisal is required for all direct sales of excess land. This includes the valuation of

leases, easements, and fee parcels to be conveyed to local agencies as outlined in Section 16.03.05.00. Fair market value appraisals cannot be prepared by any member of the Excess Land staff, except for "nominal" value appraisals.

Excess parcels valued for direct sale to private parties at \$500,000 or more require dual appraisals as outlined in the Appraisal Chapter. Parcels conveyed to another State agency by a Transfer of Control and Possession Agreement are excluded from the dual appraisal requirement. Since the process for securing an independent report may be time consuming, Excess Land should identify those parcels requiring two appraisals sufficiently in advance of proposed sale dates to enable hiring fee appraisers.

Approval of a market value appraisal for a direct sale is assumed to be valid for one year from the date of the appraisal unless Excess Land determines that a significant change in value during the year requires a review by Appraisals.

16.04.04.00 Nominal Value Appraisals

Excess Land Agents may prepare nominal value appraisals following the format and approval process described in Sections 7.14.01.00 and 7.14.04.01.B of the Appraisal Chapter.

The Certificate of Appraiser statements should state:

"I understand I may be assigned as the Excess Lands sales agent for one or more parcels contained in this appraisal report, but this has not affected my professional judgment nor influenced my opinion of value."

Although a yearly review is not required, Excess Land may request a review of nominal parcels any time one is warranted.

NOTES:

16.05.00.00 - DISPOSAL METHODS AND PROCEDURES

16.05.01.00 **General**

Excess property shall be disposed of as soon as possible commensurate with sound business practices, statutes, and CTC Resolution G-98-22 as amended, so the number of parcels on inventory is maintained at minimum levels.

Property is not to be withheld from sale without full justification, including economic, environmental, and community considerations. Parcels shall be offered for sale within one year of becoming available for sale, pursuant to Streets & Highways Code Section 118.6. All efforts made to sell the property shall be documented in the file, and all offers are input into the ELMS.

16.05.02.00 **Methods of Disposal**

Excess real property can be disposed of as follows:

- **Internal transfers**
- **Public sale** - by auction, sealed bid, or continuous bid
- **Direct sale** - to adjoining owner (Findings A and B), to former owners, and to eligible present occupants
- **Private sale** - between adjoining owners
- **Exchange** - by Right of Way Contract
- **Functional Replacement** - by agreement (see Section 8.30.00.00)
- **Other direct conveyances:**
 - To other governmental agencies
 - Pursuant to utilities agreement
 - Pursuant to cooperative agreement
 - Pursuant to legislation
- **Leasing** - pursuant to S&H Code Section 104.15
- **Lease-Purchase**
- **Transfer of Jurisdiction** - to other State agencies
- **Private Brokers**

All conveyances of excess property are subject to the CTC's final approval, except where statutory or delegated authority vests with the Director. (See also Section 16.07.01.00.) Incorporations of property within State highway operating rights of way are at the discretion of the DDs.

All printed matter, including the terms of sale, must clearly state that the sale is subject to Department and CTC approval, and is not binding upon the State prior to such approval.

16.05.03.00 **Internal Transfers**

16.05.03.01 **Incorporation of Excess Parcels Within Operating Right of Way**

Excess Land initiates appraisal map reviews, as set forth in Sections 16.01.04.00 and 16.01.05.00, to eliminate small remnants of excess land that can be included within the right of way. Examples include:

- **Park and Ride** - If any excess land is selected for a possible Park and Ride lot, a feasibility study should be undertaken comparing the economics of using the excess land to purchasing alternate sites. The study includes an analysis of the savings resulting from fewer cars on the road because of the facility. A determination is made of the lot size necessary for the particular location and the estimated time necessary to complete a project report.
- **Enhancement of Air Space** - Excess land situated adjacent to air space may be incorporated into the right of way to enhance utility of the air space. The file must be documented with an economic justification.
- **Unsalable Excess Parcels** - Consideration should be given to incorporating small unsalable parcels into the right of way.

Once the location and size of a possible Park and Ride lot are determined, Excess Land holds the area necessary for the lot for the time needed to process a project report, normally less than six months. Any remaining excess should be released and processed for sale as soon as possible. Special consideration should be given to the sale of any remaining excess. Particular attention should be given to access and economic enhancement since the Park and Ride site will be deleted if the project report is not approved.

Excess land is not to be transferred into the right of way until a project report for the Park and Ride facility is approved.

The Ridesharing Coordinator is responsible for working with Excess Land to determine the best site available for the cost. The project report discusses use of alternate sites and includes reasons for using the excess land.

16.05.03.02 **Inter-Program Transfers**

Excess property may be transferred within the Department to another program, such as Maintenance or Administration. An accounting transaction transfers the property at its VTA to the appropriate program. Excess Land initiates the transfer by completing RW 16-1 and RW 16-28 with the required supporting data and submitting them to Division of Accounting.

16.05.03.03 **Charging Excess Land to Projects**

The following rules apply to projects on which construction has not been completed:

- If there is no Federal participation in the project cost, the amount to be charged to the project is the VTA.
- If a non-Federally participating excess parcel or portion thereof was acquired on a Federally participating project and it will be included in the right of way for the same or any other Federally participating project, the amount to be charged to the project receiving the excess land is the prorata cost of the parcel if the parcel is approved in an E-76 covering the original project. Where FHWA approval has not been obtained (i.e., no E-76), the project should be charged the VTA.
- If an excess parcel acquired on a nonparticipating project will be included in the right of way for a participating project, it is not eligible for Federal participation. This is because it was acquired before Federal approval of the project for which it is used.
- If fragmentary excess land will be incorporated in the right of way of completed projects with a closed EA/Project ID Number, the amount charged is the VTA.

Charges to EAs/Project ID Numbers on active projects for incorporation of parcels require the EA/Project ID Number to be adequately funded to receive the charges. Charges exceeding \$10,000 could surpass the programmed amounts for any given project. Charges should not be made until it has been verified that the project can adequately receive the amount to be charged, or until a program supplement has been approved.

16.05.04.00 **Public Sales**

16.05.04.01 **General**

Excess Land shall develop sales procedures to attract the widest possible market and to obtain the maximum return. The sales standards described in R/W Manual Sections 16.05.04.08 and 16.05.04.14 are the minimum necessary to ensure adequate exposure of public sale property.

16.05.04.02 **Purchase Agreement (RW 16-5 and RW 16-6)**

Generally if an excess parcel is capable of independent development compatible with its environment, it should be disposed of by public sale. Public sale may be by oral auction, sealed bids, or continuous bid, whichever provides the greatest return. Bids that fall below the published minimum shall be rejected. If no bids are received, the minimum is reanalyzed considering market conditions and the market approach before the property is again offered for sale.

The right to purchase is awarded to the highest responsive bidder. If the highest bidder defaults, consideration should be given to awarding the right to purchase to the second highest bidder at the high bid amount.

The right to purchase is for a definite period commencing on the first day after the date of sale. The usual right to purchase period is 60–90 days; the maximum right to purchase period is 180 days. Extensions of the right to purchase period must be supported by a full written analysis, approved in accordance with the current Executive Order Delegation Matrix in Section 2.05.00.00, and retained in the parcel file. If a right to purchase extension is approved, it must include the following terms:

- A right to purchase extension charge of 1% per month on the bid amount is made for the period of the extension.
- The extension charge is not applied to the purchase price.
- If the right to purchase is not exercised, neither the bid deposit nor the extension charge is refunded.

The use of a right to purchase extension should be utilized in limited circumstances and for short time frames of 60 days or less. Extensions for longer time frames can detrimentally impact the market value of the property and the marketability of the property if it has to be auctioned again. If a purchaser requires more time, an alternative sales method should be utilized. Please see Sections 16.05.13.00 and 16.05.14.00 for alternative sales methods utilizing an Option-Purchase Agreement or a Lease-Purchase Agreement.

The purchase deposit must be sufficient to cover out-of-pocket costs of the sale, e.g., printing and mailing the Sales Notice and advertising. The minimum purchase deposit shall be 5% of the highest bid. In the event of a default by the buyer, this will be retained as liquidated damages.

16.05.04.03 **Default or Withdrawal of Highest Bidder**

If the highest bidder fails to exercise the purchase rights within the prescribed period or fails to comply with the sale terms, the Region/District retains the liquidated damages. See Section 16.07.07.00 for procedure when a bidder requests cancellation of a sale prior to CTC approval.

Upon default, Excess Land notifies the highest bidder that the Bid Registration Deposit (if the breach, withdrawal, or default occurs in the first three days following the public sale and before the highest bidder has remitted the Purchase Deposit) or Purchase Deposit (if the breach, withdrawal, or default occurs after the first three days following the public sale) is being retained as liquidated damages.

Upon default of the highest bidder, Excess Land may offer a purchase option to the second highest bidder at the high bid. If the second highest bidder accepts award, the deposit required and the terms of the purchase are the same as stated in the Sales Notice. The right to purchase period shall commence on the first day following the date Excess Land receives written notice of acceptance by the second highest bidder.

Excess Land may preclude a defaulting bidder from bidding at a subsequent public sale. See R/W Manual Section 16.05.04.15.

16.05.04.04 **Minimum Bids**

The following guidelines apply to property available for public sale and property previously offered to public agencies in accordance with S&H Code Section 118.6.

- **First Offering** - As soon as possible after the property becomes available, offer it for sale within a range of 75-100% of PSE. The Excess Land Manager should consider the expected demand for the property, its shape and conformity of use with the neighborhood, and development potential when setting the minimum bid within the range.
- **Subsequent Offering** - If the property is not sold at first attempt, the Region/District shall prepare a marketing plan that outlines and substantiates the marketing effort and justifies the minimum bid for subsequent offerings. A copy of the marketing plan must be retained in the Region/District's excess land parcel file. If the marketing plan indicates a minimum bid below 75% of the PSE, the Region/District shall request a revised PSE.

After receipt of the revised PSE, if Excess Land believes that a minimum bid between 60% and 75% of PSE is warranted, that decision will be fully documented by memorandum to the file, signed by a Supervising R/W Agent or above. Properties are not to be offered with minimum bids below 60% of PSE. This authority may not be delegated below the Supervising R/W Agent level.
- **Marketing Plan** - The Region/District must consider the following while preparing the marketing plan:
 - Reducing the minimum bid.
 - Using an unannounced minimum.
 - Reviewing appraisal/PSE for concepts that may be inappropriate and revising appraisal/PSE as necessary.
 - Combining with other parcels.
 - Reducing the number of parcels in the disposal unit.
 - Expanding advertising.
 - Using other innovative marketing techniques.
 - Alternate sales methods.
 - Holding the disposal unit until market conditions improve. (See Section 16.02.04.00 for Hold Request procedures.)

16.05.04.05 Unannounced Minimum Bid

Parcels may be auctioned with an unannounced minimum bid, in which case all the foregoing requirements apply, with the following additional conditions and exceptions:

- All other terms of the sale, including required deposit, are indicated in the Sales Notice with the word “unannounced” after the term “Minimum Bid.”
- The PSE and the unannounced minimum bid are confidential information and shall not, under any circumstances, be divulged to a prospective bidder or the general public. Excess Land is responsible for the actual amount of the minimum bid, which shall be established in writing by concurrence between the Excess Land Manager and his/her immediate supervisor. The minimum bid amount must be kept in a confidential and secure file. If the PSE or minimum bid is given to a prospective bidder, Excess Land shall cancel the sale and initiate a resale of the parcel using the PSE as the basis for the minimum acceptable bid.
- The Sales Notice shall include a provision allowing 10 days to evaluate the bids received. Excess Land has discretionary approval to accept any bid that exceeds 80% of the unannounced minimum acceptable bid. Otherwise HQ R/W approval is required prior to acceptance of the bid. Requests for acceptance will include the total number of bids, the bid amounts, and the Region/District’s recommendation with reasons therefor.
- Bids accepted by Excess Land that are less than the unannounced minimum bid shall be justified by an Administrative Authorization memorandum signed by a Supervising R/W Agent. This authority may not be delegated.
- Unannounced minimum bids must be at least 75% of PSE.

16.05.04.06 State Financing Addendum (RW 16-6)

The State Financing Addendum, when added to the Purchase and Sale Agreement, provides that the purchaser has a prescribed number of days during the right to purchase period to open an escrow at purchaser’s expense. The credit terms, the down payment amount and financing term, shall comply with Streets and Highways Code 118.

16.05.04.07 Notice of Surplus Real Estate Sale (RW 16-4)

A Notice of Surplus Real Estate Sale (Sales Notice) is used for properties sold by public auction, sealed bid, or continuous bid. Deviations from the standard terms and conditions require documentation and DDC-R/W approval. Innovation in preparing the front covers of these notices is encouraged, particularly for those properties having specialized uses or high values. The Sales Notice shall clearly state if credit terms are being offered, and, if so, all sales are subject to satisfactory proof of the buyer’s creditworthiness. Credit reports will be obtained at buyer expense.

Accuracy about access, zoning, and availability of utilities is important when describing the characteristics of the property. Investigations regarding such factors should be thorough so the Sales Notice is reliable.

Copies of the Sales Notice shall be mailed or delivered to the Division of Accounting, all adjoining owners, and all other persons who may be interested in purchasing the property. Emphasis should be on reaching those segments of the market that specialize in the particular class of property.

If a public sale is by sealed or continuous bid, the appropriate bid form shall be attached and mailed with the Sales Notice.

16.05.04.08 **Posting of Property and Physical Inspection**

Real estate type “For Sale” signs shall be placed on excess land offered for public sale and shall contain information about the parcel, the words “For Sale,” and the address and phone number of the appropriate Region/District office. Signs should be of sufficient size and shape to be readily identifiable by the public and constructed of materials that will withstand the elements. Where high value or special purpose properties are for sale, consideration should be given to more extensive signing, or other types of display, to assure maximum exposure.

At the time of the appraisal and again upon posting, an Agent shall physically inspect the property documenting the property condition in the parcel file and taking photos if necessary. The physical inspections are to determine existence of any adverse interests, advertising signs, hazardous material/waste, persons in possession (trespassers or State’s tenants), or easements. These interests shall be checked against the State’s title policy and either cleared or brought to the attention of prospective bidders in the Sales Notice or during the auction.

Excess Land should check the property periodically during the advertising period to assure its condition remains unaltered and that “For Sale” signs are still posted.

16.05.04.09 **Public Sales of Landlocked Parcels**

Excess Land should undertake public sales of landlocked parcels of substantial area or value only after it has attempted to secure an access option from adjoining owners. Negotiations should be based on securing adequate rights commensurate with the highest and best use of the parcel.

The parcel diary should contain a notation that Excess Land reviewed the landlocked parcel with Design and no alternate means of access was or could be made available.

Résumé packages for sales of landlocked parcels must include a statement in the remarks section of the résumé form about attempts made to secure an access option. If an option is secured, a copy of the option agreement is included in the package.

Options to purchase access may only be obtained on a voluntary basis, and the following guides should be used in attempts to secure options:

- **Option Period** - Sufficient to allow grantee to exercise the option within the terms prescribed in the Sales Notice. Allow sufficient time to advertise and complete all aspects of the sale.
- **Option Value** - Appraisals shall certify that the price to be paid for the optioned property is reasonable and that the optioned rights are adequate to serve the excess land.
- **Consideration for Option** - Shall normally be \$500.
- **Form of Agreement** - The option agreement follows the form shown in Exhibit 16-EX-5.

16.05.04.10 **Transfer Costs**

The Department shall not pay fees for recording, escrow, title insurance, documentary stamp tax, or any other charges involved in the transfer of title to excess property. The payment of sales commission to buyer’s agent and/or broker is strictly prohibited. This policy should be stated in the Sales Notice and brought to the attention of prospective bidders.

16.05.04.11 Oil, Gas, and Mineral Reservations

Excess Land shall avoid retention of oil, gas, and mineral rights at the time a fee-owned parcel is disposed of. In areas where active community oil and/or gas leases are in effect, the income or royalties therefrom are considered in the valuation of the excess property.

16.05.04.12 Delinquent Taxes

Excess Land shall investigate the status of taxes and assessments and report the status on Form RW 16-1 under "Fee Title" information section. Although property will generally not be subject to delinquent taxes, cancellation should be requested if they do exist. If property must be sold subject to delinquent taxes or assessments, this fact shall be brought to the attention of prospective bidders in the Sales Notice.

16.05.04.13 Marketing Contact Lists

Excess Land in each Region/District shall maintain a comprehensive contact list or file with names and addresses of persons and firms who are interested in purchasing State property. Lists for hard copy mail distribution must be reviewed and purged annually in accordance with Government Code Section 14911. (See Section 16.12.03.00.)

A separate, return-addressed verification card may be attached to the material mailed. The card should state that the mailing list is reviewed annually as required by State law. It should provide a space for the recipient to affix postage when returning the card as an indication of desire to remain on the mailing list.

Suggested text for the message side of the verification card:

"Your name is on our mailing list to receive notice and terms of sale for lands to be sold at public sale. If you wish to continue to receive these notices, please sign this card, place adequate postage on the reverse side, and mail immediately. If this card is not returned by (specify date), your name will be removed from our list. This notice is required annually by Government Code Section 14911. Please correct the address shown if incorrect; be sure to include ZIP Code."

All Department marketing contact lists are confidential and shall not be made available to the general public.

16.05.04.14 Advertising Excess Property - Public Sale

Since advertising is the key to successful sales of real property, Excess Land must be thoroughly familiar with advertising practices of the local and national real estate markets.

Prior to the sale, Excess Land must take the following actions as a minimum, and document them in the file:

- Send notifications to appropriate governmental agencies.
- Post "For Sale" sign on property.
- Place advertising on the Department's public Web site.
- Provide copy of Sales Notice to adjoining owners.
- Hold at least one "Open House" on improved properties.

Use of advertising should be maximized with attention given to specialized publications, notices, or other information outlets (e.g., the Internet) for properties with special uses or characteristics. Format and placement of real estate advertisements, as well as cost, shall be in conformance with normal real estate transactions.

Minimum advertising content includes size, location, zoning, topography, other pertinent information, and date, time, and method of sale. In the case of public auctions, the location of the auction should be carefully specified. If sale is by sealed bid, the advertisement shall include date and time for receipt of bids and information on where bid proposal forms may be obtained. It should be made clear that bids must be made on the Department's bid forms. Contact information where additional information concerning the property may be obtained should be included.

16.05.04.15 Conduct of Public Auction Sales

When excess property is sold by public auction, the auction shall be conducted by at least two Agents from Right of Way, one of whom shall act as the auctioneer. The auction may be held on the premises or at another location. Sufficient copies of the Sales Notice must be available for people attending the auction.

At the time of the auction, the auctioneer should be prepared to provide any additional or special information that affects the property and to answer any questions from prospective bidders. Upon reading the breach of contract provisions and the minimum bid and deposit requirements, the auctioneer requalifies bidders, if practical, by asking for the showing of bid registration deposit checks. The auctioneer then announces, "The bidding is now open."

The auctioneer shall assure that adequate time is allowed for bidding before closing the sale. A right to purchase shall be awarded to the highest responsive bidder.

One of the Agents secures all necessary signatures on the purchase contract. The highest bidder signs the original purchase contract, showing address and telephone number. The Agent accepts the bid registration deposit remittance by cashier's check, certified check, or money order and delivers a receipt and a duplicate purchase contract to the high bidder. Personal checks shall not be accepted. Cash deposits should be discouraged. The Agent transmits the monies to Accounting with a RW 16-29, which places the funds in the special deposit account.

The highest bidder must furnish the required deposit at the time of the auction as prescribed by the Sales Notice, otherwise the auctioneer may reopen the bidding and award the right to purchase to the second highest bidder at the high bid. Alternatively, the sale may be canceled and rescheduled.

The highest bidder must furnish the purchase deposit (5% of the high bid less the \$1,000 bid registration deposit) within three days following the public sale. Failure to remit the purchase deposit in a timely manner shall constitute a default by the highest bidder.

One of the Agents shall obtain the name, address, and telephone number of the second highest bidder to be used in the event the highest bidder defaults. (See R/W Manual Section 16.05.04.03 for procedures when the highest bidder defaults.)

The original bidder registration sheet(s), original bidder tally sheet(s), a copy of the sales notice, and copies of any signed purchase agreements shall be retained in the file for all auctions conducted.

When a bidder has defaulted on a previous public sale, Excess Land has the discretionary authority to exclude that bidder from the next scheduled public sale.

16.05.04.16 **Personal Checks**

Excess Land shall not accept personal checks.

16.05.04.17 **Conduct of Sealed Bid Sales**

When sales are by sealed bids, at least two Agents must participate in the bid opening. One Agent opens the bids at the prescribed time and place in the presence of prospective purchasers who wish to be present. The other Agent tabulates all bids and announces the highest bidder.

Immediately after the bid opening, the highest bidder signs the original purchase contract, showing address and telephone number. The Agent accepts the bid registration deposit remittance by cashier's check, certified check, or money order and delivers a receipt and a duplicate purchase contract to the high bidder. Personal checks shall not be accepted. Cash deposits should be discouraged. The Agent transmits the monies to Accounting with a RW 16-29, which places the funds in the special deposit account.

After the high bidder has executed the purchase contract, deposits shall be returned to the unsuccessful bidders. If an unsuccessful bidder is present when the deposits are released, the check may be hand delivered if a receipt is obtained.

The highest bidder must furnish the purchase deposit (5% of the high bid less the \$1,000 bid registration deposit) within three days following the public sale. Failure to remit the purchase deposit in a timely manner shall constitute a default by the highest bidder.

See Section 16.05.04.03 for procedures when the highest bidder defaults.

The number of bids received shall be kept confidential prior to opening bids, and no additional bids shall be accepted after the bid submission deadline. Bidders may withdraw or revise their bids prior to the bid submission deadline.

The original bidder tally sheet(s), a copy of the sales notice, and copies of any signed purchase agreements shall be retained in the file for all auctions conducted until the property conveyance is recorded.

16.05.04.18 **Notification of Tenants**

To meet statutory requirements and maintain good public relations, Excess Land should advise tenants of progress made toward the sale of the property they occupy. Written notification shall be sent as follows:

- Notify tenants on State Route 710 in Los Angeles County that they may be eligible to purchase pursuant Government Code Section 54237.
- Notify commercial and residential tenants they may be eligible to purchase pursuant to Streets and Highways Code 118.1 (commercial) or CTC Resolution G-98-22, as amended (residential).
- Send a copy of the appropriate Sales Notice to each occupant.
- Immediately notify each occupant of the name, address, and phone number of the purchaser upon recordation of the Director's Deed. Notify each occupant if the parcel does not sell at the public sale.
- Notify each occupant of the specific date of the recording of the Director's Deed that divests the State of ownership of the particular property.

16.05.04.19 Public Sale of Fragmentary Remainders

Whether landlocked or not, fragmentary remainders are normally sold under Finding A procedures. If the adjoining owners have refused to purchase the parcel, it may be sold at public sale after a public sale estimate has been obtained. A documented refusal must be obtained from all adjoining owners within a reasonable time prior to public sale of the parcel.

16.05.04.20 Protection of Improvements on Excess Land Following Public Sale

It is the Department's policy to minimize losses resulting from vandalism of improvements located on excess property on which a sale has been awarded. The policy is considered satisfied if the improved property is occupied by tenant(s) under a Department rental agreement.

For sales of unoccupied improved excess parcels in areas where vandalism or theft of improvements can be reasonably foreseen, Excess Land has the discretionary authority to include terms in the Sales Notice that the successful bidder will be required to execute a rental agreement that results in:

- Immediate possession of the property by the purchaser.
- The payment of fair market rent by the purchaser commencing from the date of the sale.
- The payment of a security deposit consistent with R/W Manual Chapter 11.07.14.00. This deposit is separate from the Bid Registration Deposit and the Purchase Deposit.
- Elimination of the Department's liability for claims for damage resulting from injury to any person or property.
- Cancellation on the date of expiration or extension of the sale period or recordation of the Director's Deed, as applicable.
- Return of possession of the property to the Department in the event of default in a condition equivalent to that which existed on the date the sale was awarded.

These provisions may be satisfied by minor modifications to a standard rental agreement, but the Department must receive a fair rental for the property for the specified use. Temporary access for one day or less may be given to purchasers to facilitate sale of the property. Excess Land shall request a rental rate determination to be prepared concurrently with the Public Sale Estimate. The rental rate shall be included in the sale notice. Property Management shall assist Excess Land in preparing the agreement.

Property Management is responsible for notifying Excess Land immediately of the receipt or issuance of a 30-day termination notice involving tenants of improved excess property on which escrow is still open. Excess Land notifies the purchaser of the pending termination date of the tenancy. If the property will become vacant more than 15 days prior to the last day of the right to purchase period, the purchaser is requested to accept a Right of Entry. If the purchaser will not accept a Right of Entry, Excess Land should make all efforts to either expedite close of escrow or ensure security of the improvements. "No Trespassing" signs and periodic checks by local police, the California Highway Patrol, and Excess Land personnel may be necessary in high-risk areas.

Improvements that contribute a zero or negative value to the property may be removed prior to public sale of the parcel with proper documentation and a request to the Clearance Agent.

16.05.04.21 **Change in Terms and Conditions of Sale Subsequent to Publication of Sales Notice**

Occasionally it is necessary to alter the terms and conditions of sales after initial publication of the Sales Notice. For example, Maintenance may request reservation of a slope easement, Right of Way may discover a zoning change, or some other significant change may occur that has a direct bearing on the price a purchaser may be willing to pay. If time permits, Excess Land should post to the Department's Internet ad an addendum to the Sales Notice and send the addendum to all persons known to have received the original Notice. In addition, the State representative must announce the changes at the sealed bid opening or at the public auction. The highest bidder shall be required to execute a written statement of understanding that the sale is made subject to those specific terms and conditions, as well as the terms and conditions contained in the original Notice.

16.05.04.22 **Eviction of Occupants of Excess Property**

Excess land is normally sold subject to the occupancy of existing tenants since a Department-initiated eviction may create renewed RAP eligibility, unless the eviction is for cause. Relocation Assistance and Excess Land must agree to all proposed evictions of former eligible occupants. Evictions of former RAP eligibles should only take place where there is a clear economic advantage or other compelling reason.

The sale of occupied excess to another public entity for ultimate clearance and use may also create RAP eligibility by the purchasing public entity. All sales agreements with other public agencies must contain a clause specifying that the purchasing agency assumes responsibility for relocation benefits that may accrue to existing occupants. If agreement cannot be reached, Excess Land should request a legal determination of liability before consummation of the sales agreement.

16.05.04.23 **Offsets and Adjustments to Sale Price Prohibited**

No offsets or adjustments shall be made to the sale price following the conclusion of a competitive sale. If the condition of the property substantially changes following a competitive sale, the sale shall be canceled, the high bidder's deposit shall be returned, and a revised valuation must be requested before the property can be offered for another public sale.

16.05.05.00 **Direct Sale to Adjoining Owners, Finding A and B**

Excess Land may sell small, odd-shaped, fee-owned, excess parcels directly to adjoining owners without calling for competitive bids under the provisions of CTC Resolution No. G-98-22 as amended, Exhibit 16-EX-6. Finding A and B parcels are defined as follows:

- **Finding A** - Direct sale to adjoining owner, without calling for competitive bids, of small, odd-shaped, fee-owned parcels incapable of independent development and having a higher and better use as part of the adjoining property or, if sold to other than the adjoining owner, would cause an undue or unfair hardship in the normal development or operation of such adjoining owner's property.
- **Finding B** - The sale of such excess parcels to other than the adjoining owner would deprive such adjoining owner of vested right of access to a public highway and would create a possible cause for action against the Department.

Upon making either a Finding A or B determination, Excess Land may sell the excess parcel to the adjoining owner. The minimum consideration shall be the appraised fair market value of the parcel considered as part of the adjoining property.

If the adjoining owner refuses to purchase the excess for such consideration, Excess Land may sell it by competitive bid at public auction. The Department shall retain title to the excess if sale to another party would deprive an adjoining owner of an existing vested right of access to a public highway (Finding B).

All offers of direct sales made to an adjoining owner are confirmed in writing. Any refusal to purchase at the offered price shall be documented and, if possible, signed by the adjoining owner.

16.05.05.01 **Adjustment of Sales Price to Adjacent Owners**

The DDC-R/W has the authority to approve Finding A and B sales when there is a difference between the proposed sales price and the approved market value appraisal. The DDC-R/W provides a memorandum of administrative authorization for the file, approving the sale, in the overall public interest for social, environmental, or economic purposes. The memorandum shall fully justify the sale and state the reasons, based on sound business judgment and in accordance with statute and policy, for selling the parcel for less than the approved market value appraisal. Such justification shall include an economic analysis of the cost of incorporating and maintaining a property or holding for future sale as opposed to selling for less than market value. Criteria based on specific or local conditions addressing social or environmental perspectives must be quantified economically to the greatest extent possible. Generally speaking, the greater the variance between the sale price and the appraised value, the more substantial the justification needs to be.

By federal law, sales of federally participating excess land at less than fair market value requires either prior FHWA approval OR federal reimbursement. Compliance with this section shall constitute compliance with FHWA regulations regarding prior approval.

All sales are subject to CTC approval, and Excess Land must fully justify and document the reasons for selling the parcel below the approved market value appraisal.

16.05.05.02 **Payment of Recording Fees - Purchase Consideration \$100 or Less**

When the total consideration is \$100 or less, Excess Land may pay recording fees in consideration of the savings in maintenance costs. The sales agreement must contractually obligate the Department to pay the recording fees.

16.05.05.03 **Finding A and B Sales to Other Governmental Agencies**

Finding A and B sales may be made to other governmental agencies in the same manner and under the same conditions that apply to privately-owned adjoining property.

Sales made to other governmental units for public road or street widening or extension purposes shall be treated as direct sales.

16.05.05.04 **Informal Time Payment Sales, Finding A or B**

CTC Resolution G-98-22 as amended provides for an informal time payment plan for a period not to exceed 18 months when the adjoining owner is unable to pay the value of the subject property in one payment. When property is sold under this plan, no interest is charged and a letter form of agreement is satisfactory. The signed acceptance of the conditions shall be made on one copy of the letter to be retained in the parcel files.

This letter shall include:

- Description of the property or attached map.
- A statement that the purchaser is in fact an adjoining owner.
- A statement that the sale must be approved by the CTC.
- A statement about purchase price and monthly payments.
- A statement that the sale may be canceled if payments become delinquent, in which case the Department retains one month's installment and returns the balance to the adjoining owner.
- Provision that the purchaser will pay the recording fee.
- A statement about the vesting of the Director's Deeds.
- A statement about the Department's reservations, if any.
- A listing of any title encumbrances affecting the conveyed property.
- A statement that the Director's Deed shall be recorded upon final payment.

Excess Land requests Director's Deeds and makes entries for removal of the parcel from the Excess Land Inventory after the adjoining owner executes the agreement (Exhibit 16-EX-7).

16.05.06.00 **Direct Sale to Eligible Present Occupants**

16.05.06.01 **Direct Sale of Commercial Property Pursuant to S&H Code Section 118.1**

Except as provided in S&H Code Section 118.6, Excess Land must first offer commercial property on rescinded routes to the State's tenant if the tenant has made improvements that are valued in excess of \$5,000 and are consistent with the terms of the Rental Agreement. In the clearance procedure for excess land created by route rescission, Property Management identifies all improved excess commercial properties where the present tenant, at their own expense, has made authorized capital improvements valued in excess of \$5,000.

Commercial property is defined as real property used for the production of income through the sale of products or services, and excludes agricultural, industrial, or residential uses. Typical commercial properties are banks, service establishments, restaurants, parking lots, retail stores, and office buildings.

Improvements must be capital improvements that add value to the real property. The term does not include expenditures for maintenance and repair. In addition:

- The value must be documented.
- The tenant must not have been reimbursed for improvements through rental offsets.
- The improvements were made consistent with terms of the Rental Agreement.

Excess Land must determine if the eligible tenant is interested in purchasing the property at current fair market value and must document the tenant's intention in the parcel file. When there is more than one eligible tenant, the opportunity to purchase at fair market value by direct sale must be offered to each tenant.

- If waivers can be obtained from the other tenants, the property may be offered to one tenant.
- If waivers cannot be obtained, tenants may purchase property jointly or Excess Land can offer the property at a private sale.

When an eligible tenant indicates a desire to purchase at a direct sale, Excess Land shall obtain two independent appraisals of fair market value from qualified appraisers and offer the property at the approved appraised value. Refer to Right of Way Manual Section 7.14.02.02 for appraisal procedures. The Excess Land Transaction Résumé must contain a description of the improvements and must fully document the qualifying conditions set forth in the above definition of improvements.

If the eligible tenant refuses the offer to purchase at the approved appraised value, Excess Land should immediately schedule the parcel for public sale.

Excess Land should refer legal issues or questions that occur because of unusual circumstances to HQ R/W for reference to Legal for resolution prior to committing the Department to a course of action.

16.05.06.02 Direct Sale to Present Residential Tenant-Occupant at Fair Market Value

CTC Resolution G-98-22 as amended (Exhibit 16-EX-6) authorizes the direct sale to present residential tenant occupants provided that:

- The purchase price shall be at fair market value, as supported by an approved appraisal prepared for such sale;
- The tenant is current in all rent obligations; and
- The tenant has been in occupancy as a tenant of the State for a minimum of five consecutive years.

Excess Land must determine whether an eligible residential tenant is interested in purchasing the property at fair market value, and must document the offer of direct sale and the tenant's intentions in the parcel file.

If an eligible residential tenant refuses the offer to purchase at the approved appraised value, Excess Land should immediately schedule the parcel for public sale.

16.05.07.00 Private Sale Among Adjoining Owners

Excess Land shall offer an excess parcel that qualifies under Finding A procedures for direct sale to more than one adjoining owner by private sale, sealed bid, or auction among all adjoining owners if:

- The parcel can be properly used by two or more adjoining owners, and the sale is consistent with normal land use and would not impose a hardship on any of the remaining adjoining owners.
- Written waivers cannot be obtained from all but one of the adjoining owners.

Waivers from adjoining owners are retained in the Excess Land files. Where written waivers cannot be obtained, certified letters to the adjoining owners confirming their noninterest will suffice.

The value of the excess land may differ depending upon which adjoining ownership it is considered a part of for appraisal purposes. In this case, the minimum bid is set at the lowest appraisal value as plottage to the owners who have expressed interest in bidding.

When a parcel is offered by private sale among adjoining owners, Excess Land shall send a Sales Notice to all adjoining owners by certified mail whether waivers have been obtained or not. The Notice sets forth the terms and conditions of sale and contains sales terms in the manner detailed in Section 16.05.04.00 for public sale parcels. Sale by sealed bid or auction is discretionary.

16.05.08.00 **Exchange by Right of Way Contract**

The Department is authorized by S&H Code Section 104 (b) to acquire lands in excess of its needs and to exchange the same for other property needed for State highway purposes. Information regarding exchange transactions is contained in the Appraisal and Acquisition Chapters. Appropriate documentation of exchange transactions is found in the table in R/W Manual Chapter 16.07.00.00 entitled “Excess Land Disposal File Documentation.”

Excess land to be exchanged shall be valued at its highest and best use. The Department must receive full value for the excess in the exchange. Any imbalance or inequity in appraised values and proposed payments in the exchange must be justified by Administrative Settlement on the Acquisition side of the transaction pursuant to Section 8.01.29.00. The value of the excess may not exceed the value of the property acquired by the Department.

16.05.09.00 **Other Direct Conveyances**

16.05.09.01 **Governmental Agencies**

CTC Resolution G-98-22 as amended governs direct conveyances of excess land to local, State and Federal public agencies for a public purpose. This is a separate authority for conveyance of excess land to public agencies that:

- Qualify for direct sale under Finding A and B procedures.
- Qualify for direct conveyance pursuant to special legislation.

In negotiating with another public agency for direct sale, it is important for the agency to understand that the agreed sale price is subject to final approval by:

- **CTC** - if a Director’s Deed is required.
- **Director** - if a Transfer of Jurisdiction is required.

16.05.09.02 Direct Sales to Governmental Agencies

Direct sales to public agencies shall be for a public use, and generally at fair market value. The governing body of the public agency must provide a resolution that states the excess land will be used for public purposes. "Public purposes" means the preponderant area of the property shall be substantially for government, as opposed to proprietary, functions. The intended specific use of the property shall be stated in the resolution. A copy of the resolution shall be submitted with the résumé package to the CTC for approval.

For direct sales to public agencies at less than fair market value, Excess Land shall include a reversionary clause in the Director's Deed. The clause shall require substantial public use for a period of 15 years to control use and resale of the property consistent with the intent and language of the statute or other authority authorizing or mandating the direct sale. Refer to R/W Manual Engineering Chapter, Section 6.13.13.04, for approved clause.

Proposed public sales at less than the approved market value appraisal shall be in accordance with R/W Manual Section 16.05.05.01.

A sale to a government agency under this section requires a minimum 5% nonrefundable deposit that will be applied to the purchase price if the right to purchase is exercised. If the right to purchase is not exercised, the deposit is retained as liquidated damages.

The sales agreement may take the form of a one year exclusive right to purchase. The exclusive right to purchase may be extended for an additional year provided:

- The purchasing agency requests an extension prior to the expiration of the original extension.
- The appraisal is updated to reflect the current market value of the property and the sale price adjusted accordingly.
- The purchasing agency pays an additional 5% nonrefundable deposit, also to be applied to the purchase price.

16.05.09.03 Conveyances to Utility Companies

To avoid processing these items through the CTC, every effort should be made to acquire these replacement facilities easements directly in the name of the utility company involved. If possible, use the utility company's easement form.

Land acquired in the State's name for replacement of public utilities facilities pursuant to a Utilities Agreement is disposed of in accordance with the terms of the Agreement. The acquisition appraisal shall stand in lieu of the excess land appraisal.

Where the property was not acquired specifically for replacement purposes but by terms of the Utilities Agreement it is necessary to relocate a utility facility on excess land, an excess property appraisal shall be provided and the degree of title required by the Utilities Agreement shall be conveyed pursuant to terms of the specific agreement.

If the excess parcel is sold before the easement is conveyed to the utility company and the easement was acquired in the State's name, an easement shall be reserved to the State. The easement is subsequently conveyed to the utility company.

If a utility was located in a public street or highway that was incorporated into a State highway pursuant to S&H Code Section 83, and the area occupied by the utility is subsequently declared excess, an easement should be reserved to the utility company in the Director's Deed conveying the excess.

16.05.09.04 Cooperative Agreements

Land acquired in the name of the State for use or partial use by another agency pursuant to a Cooperative Agreement is conveyed under the terms of the Agreement. The acquisition appraisal serves as the excess appraisal.

If the Agreement provides for conveyance of lands acquired for other purposes, an excess property appraisal shall be provided.

When the Agreement provides for conveyance of land or lesser interests for nonmonetary consideration (such as construction work to be performed by the other agency or savings in future maintenance costs to the Department), the functional unit responsible for originating the Agreement must provide an evaluation of the benefits or savings accruing to the Department. This assures that the consideration being received is commensurate with the value of the property being conveyed.

16.05.10.00 Coastal Zone

Article XIX of the State Constitution, Section 10, requires the Department to offer excess land parcels in the Coastal Zone, as defined by Section 30103 of the Public Resources Code (see Section 16.12.04.00), to the following agencies and departments (see Section 16.03.04.00):

- Department of Parks and Recreation
- Department of Fish and Game
- Wildlife Conservation Board
- State Coastal Conservancy

These parcels may be transferred for a consideration at least equal to the Department's acquisition costs, including overhead. Any proposed sale requires authorization by the Legislature, and the acquiring agency is responsible for pursuing Legislative authorization.

16.05.11.00 Transfer of Jurisdiction

All transfers are authorized by Government Code Section 14673 and do not require CTC approval. However, the Public Works Board must approve proposed payment to the Department of Transportation for transfers subject to the Property Acquisition Law (PAL), Government Code Sections 15850, et seq. It is the responsibility of the agency acquiring property to inform Caltrans if the transfer of excess land is subject to PAL.

Procedures for preparing and approving Transfer of Jurisdiction are shown in the following two tables:

TRANSFERS NOT SUBJECT TO THE PROPERTY ACQUISITION LAW	
Government Code Section 14673	
Responsible Party	Action
Requesting State Agency	<p>Responds within 60 days of Region/District's Notice of Intent to Sell Excess Land. Informs the Region/District of the following:</p> <ol style="list-style-type: none"> 1. To transfer the excess parcel to them at fair market value and for a specified purpose. 2. The budget authority to pay for the excess parcel and that payment is NOT subject to the PAL. 3. Legislative authority if for less than fair market value.
Region/District	<ol style="list-style-type: none"> 4. Prepares an appraisal, legal description, maps, and the Transfer of Jurisdiction Agreement, Exhibit 16-EX-15. 5. Requests Division of Accounting to prepare Accounts Receivable Bill (or credit to the appropriate land bank after the Transfer is recorded*) in the amount of the agreed purchase price.
Division of Accounting	Provides Accounts Receivable Bill to Region/District.
Region/District	<ol style="list-style-type: none"> 1. Has the Region/District Director or designee sign the original and one copy of Agreement. 2. Transmits agreements, maps, and the A/R Bill to the requesting agency for execution. 3. Retains a copy of the Agreement and A/R Bill for reference during processing.
Requesting Agency	Signs the original and one copy of Agreement and sends both along with maps to DGS for approval.
DGS, Real Estate Services Division	<ol style="list-style-type: none"> 1. Reviews the transaction and has the Director of General Services approve and sign the original and one copy of the Agreement. 2. Returns one of the fully-executed Agreements to the Region/District for recording. 3. Retains the second signed Agreement for conforming recording reference on the Agreement and for the State Proprietary Index (SPI) and archives.
Region/District	<ol style="list-style-type: none"> 4. Sends one copy of executed Agreement to HQ R/W. 5. Records the Transfer Agreement. 6. After recorded, sends original Transfer Agreement to requesting agency. 7. Sends a copy of the recorded Agreement to DGS. DGS can then conform recording reference on their original signed agreement. 8. Retains one copy of recorded Agreement in file. 9. Make entries in the ELMS according to Pages V-69 and V-70 of the ELMS Manual. 10. Forwards RW 16-1 to Division of Accounting to record transaction and remove parcel(s) from inventory.
HQ R/W	Enters the date the Agreement was approved by the Director of General Services in the CTC Approval field on the Disposal Unit Screen.

TRANSFERS SUBJECT TO THE PROPERTY ACQUISITION LAW

Government Code Sections 15850, et seq., and 14673

Responsible Party	Action
Requesting State Agency	Responds within 60 days of Region/District's Notice of Intent to Sell Excess Land. Informs the Region/District of the following: <ol style="list-style-type: none"> 1. To transfer the excess parcel to them at fair market value and for a specified purpose. 2. The budget authority to pay for the excess parcel and that payment is subject to the PAL. 3. Legislative authority if for less than fair market value. 4. Provides billing information to be sent to DGS.
Region/District	Prepares an appraisal, legal description, and maps, and sends copies of each to DGS, Real Estate Services Division (RESA).
DGS, Real Estate Services Division	Reviews the appraisal and maps and uses the legal description to prepare the Transfer Agreement. Returns the original and one copy of the Agreement to the Region/District.
Region/District	Requests Division of Accounting to prepare Accounts Receivable Bill in triplicate in the amount of the agreed purchase price.
Division of Accounting	Provides Accounts Receivable Bill to Region/District.
Region/District	<ol style="list-style-type: none"> 1. Has the Region/District Director sign the original and one copy of the Agreement and transmits both signed Agreements, together with A/R Bill, to the requesting agency for execution. 2. Retains a copy of the Agreement and A/R Bill for reference during processing.
Requesting State Agency	Signs the Agreement and transmits original and one signed copy of Agreement to DGS for approval. Signs the original and one copy of Agreement and sends both to DGS for presentation to the State Public Works Board for approval.
Public Works Board	Approves payment for the Agreement.
DGS, Real Estate Services Division	<ol style="list-style-type: none"> 1. Records the original Agreement (if required). 2. Sends the original recorded copy to the requesting agency. 3. Confirms recording reference on the second signed copy and retains for the SPI and archives. 4. Sends a copy of the recorded Agreement to Region/District. 5. Distributes other copies as required.
Region/District	<ol style="list-style-type: none"> 6. Sends one copy of recorded Agreement to HQ R/W. 7. Makes entries in the ELMS according to Pages V-69 and V-70 of the ELMS Manual. 8. Forwards RW 16-1 to Division of Accounting to record transaction and remove parcel(s) from inventory.
HQ R/W	Enters the date the Agreement was approved by the Director of General Services in the CTC Approval field on the Disposal Unit Screen.

16.05.12.00 Requests to Decertify and Purchase

An adjoining owner or public agency may request the Department to decertify a portion of operating right of way, sell, or otherwise convey access or other property rights not considered as excess land. Excess Land shall not initiate any action until the requesting party has deposited, as a minimum amount, the estimated costs of processing the request, including appropriate overhead assessments. Accounting for the overhead should be done pursuant to procedures set forth in the Accounting Manual. Project Development reviews requests for decertification, and obtains approval from FHWA where necessary.

Overhead shall be charged for all requests for decertification, except where these areas are:

- A portion of an adjoining ownership that was inadvertently fenced within the right of way.
- Found parcels (parcels outside the defined limits of the highway).

Excess Land shall request a separate EA/Project ID Number from Resource Management for each request and shall monitor charges to ensure that charges do not exceed the deposited amount. In the event the deposit amount is depleted, supplemental deposit payment(s) shall be required from the applicant.

DEPOSITS - REQUESTS TO DECERTIFY AND PURCHASE	
Condition	Action
The requested rights can be decertified and are salable.	Retain the amount of the deposit that equals Department expenses and overhead charges for all functional areas expending effort for the decertification, including, but not limited to, Environmental, R/W Engineering, Project Development, and Right of Way. This includes preparation and review of fair market value appraisals. Apply the balance of the deposit to the sales price of the property if the requesting party decides to complete the purchase.
The rights are found to be salable, but the requesting party decides not to complete the purchase.	Retain that portion of the deposit attributable to the costs of investigation. Internal processing costs include, but are not limited to: <ul style="list-style-type: none"> • Actual salary and overhead costs (Right of Way overhead assessment rate, which may be obtained from Region/District/Region Resource Management) to obtain approvals for decertification. • Right of Way Engineering costs for map and deed preparation, reproduction, and reestablishment of survey monumentation. • Costs of rearranging utilities, fencing, landscaping, and other improvements affected by the decertification.
The area sought to be acquired cannot be decertified.	Refund all monies except the cost of investigation.

16.05.13.00 **Option-Purchase Agreement up to Two Years (Public Sales and Qualifying Direct Sales)**

CTC Resolution G-98-22 as amended authorizes the use of an Option-Purchase Agreement for up to two years. This alternative allows a purchaser time to make necessary studies, complete the local zoning request process, and arrange financing on properties with development potential. Such properties would include large unimproved sites with commercial or industrial development potential. This method may be used in competitive bidding situations and qualifying direct sales in the more difficult-to-sell, high-value, or specialized property.

On Federally participating parcels or those eligible for Federal participation, HQ R/W will request FHWA authorization to extend the Federal reimbursement end date to equal the option period. This will be done prior to HQ R/W approving the use of an Option-Purchase Agreement or any extensions.

The purchase price is set at the highest bid (or current fair market value for direct sales) when signing the Option-Purchase Agreement. The option deposit shall be a minimum of 5% per year of the purchase price collected at the time of execution. The option deposits shall be applied toward the option price and are otherwise nonrefundable.

An Option-Purchase Agreement gives the purchaser the right, but not the obligation, to purchase the property.

Excess Land must prepare a marketing analysis demonstrating this method will maximize the return to the State. The analysis is retained in the Region/District and a copy must be forwarded to HQ R/W for review and approval. The Option Agreement shall explicitly state that it is subject to Department approval.

CTC approval of the option price and terms is required at the time an optionee acquires the Purchase-Option and any subsequent extensions. The Purchase-Option Agreement shall explicitly state that it is subject to CTC approval.

16.05.14.00 **Lease-Purchase Agreement and Partnering with an Adjoining Owner (Public Sales and Qualifying Direct Sales)**

The Lease-Purchase Agreement and Partnering with an Adjoining Owner were approved by Agency Action Request on April 15, 1997, and their use requires HQ R/W approval.

The use of either alternative shall be limited to cases where good faith attempts to sell the property have been unsuccessful or where the property is not yet ready to sell and the marketing analysis predicts that it will be difficult to sell.

The lease term should be relatively short and the Lease-Purchase Agreement should obligate the tenant-buyer to purchase the property at the end of the lease.

On Federally participating parcels or those eligible for Federal participation, HQ R/W will request FHWA authorization to extend the Federal reimbursement end date to equal the lease period. This will be done prior to HQ R/W approving the use of a Lease-Purchase Agreement or any extensions.

The purchase price is set at the current market value when the Lease is executed. The tenant-buyer is required to pay an up-front consideration equal to one percent or more of the purchase price. The up-front consideration shall be applied toward the purchase price or is otherwise forfeited. The tenant-buyer shall pay above fair market rent. A rent credit percentage must be established according to prevailing practice and will be applied to the purchase price or is otherwise forfeited.

The Region/District must prepare a marketing analysis demonstrating this method will maximize the return to the State. The analysis is retained in the Region/District and a copy must be forwarded to HQ R/W for review and approval. The Lease-Purchase Agreement shall explicitly state that it is subject to Department approval.

CTC approval of the up-front consideration, lease rate, purchase price, and terms is required before the Lease becomes effective. The Lease-Purchase Agreement shall explicitly state that it is subject to CTC approval.

16.05.15.00 The Department's use of Private Brokers (Including Public Auction Brokerages)

Agency Action Request approved April 16, 1997 provides that a private broker, including a public auction brokerage, with prior HQ R/W approval, may be hired to provide broader exposure for specialized or high value properties than could be realized under the normal public sales processes. This includes properties infrequently marketed by the State, such as office buildings or other commercial and industrial properties.

A broker or public auction brokerage should only be used when previous public sales attempts have not been successful and Excess Land believes there will not be sufficient qualified buyers to achieve the highest price. Broker or public auction brokerage participation should only be used if the sale cannot be conducted satisfactorily by the Excess Land Agent (Government Code Section 19130b).

A broker or a public auction brokerage must be solicited on an "open listing" basis. A licensed real estate broker may submit a bid, less their commission, on behalf of a potential buyer. The highest bid less the commission is selected.

A public auction brokerage and, in rare instances, a real estate broker, must be selected by a competitive process under the State's contracting process.

16.05.16.00 Sale of Access Rights Requiring FHWA Approval

FHWA approval of a proposed sale is required when any portion of the affected right of way lies within the access control lines, as shown on the plans for a federal-aid project previously approved by FHWA. Project Development determines when access rights are no longer needed and obtains the necessary approval from FHWA. Right of Way Engineering should notify Project Development at the earliest practicable time of proposals to sell access rights. This gives Project Development adequate time to obtain FHWA approval and prevents processing delays.

**16.06.00.00 - FEDERAL HIGHWAY ADMINISTRATION REQUIREMENTS
ON DISPOSAL OF EXCESS LAND**

16.06.01.00 General Policy Regarding Acquisition of Excess

Federal statute (Public Law 105-178, the Transportation Equity Act for the 21st Century, Section 1303) provides that “the Federal Share of the net income from the revenues obtained by the State under subsection (a) shall be used by the State for projects eligible under this title.” Because net proceeds of excess land sales are deposited in the State Highway Account, Excess Land need not segregate federally reimbursed excess proceeds from nonfederally reimbursed excess proceeds, and no federal credits are required. By letter dated March 4, 1999 with FHWA concurrence dated March 8, 1999 (see Exhibit 16-EX-25), Caltrans has met the requirements of Public Law 105-178 and is not required to track and report expenditures from these revenues by project.

NOTES:

16.07.00.00 - PROCESSING TRANSACTIONS

16.07.01.00 **General**

Excess Land is responsible for review of all excess land transactions prior to submission to the CTC. If the Region/District has a unique or unusual transaction, informal discussions or field reviews with HQ R/W are encouraged to resolve any questions prior to submitting the résumé package. A copy of the executed contract authorizing the conveyance shall be included in the résumé package provided to HQ R/W. Following HQ R/W's review of the complete résumé package to ensure it is accurate, the Excess Land Resume can be presented to the CTC for approval. The Region/District Excess Land office is to prepare and retain in the parcel file all applicable items shown on the table in this section entitled "Excess Land Disposal File Documentation."

16.07.02.00 **Deed Approval Delegated to Region/Districts**

Region/Districts may approve and execute Director's Deeds on behalf of the Department for excess land conveyances that qualify pursuant to CTC Resolution #G-98-22 (as amended). (See Exhibit 16-EX-6.) Staff approval of delegated Director's Deeds shall be in accordance with current delegations.

For all CTC delegated items, the Region/District should submit to HQ R/W:

- Copy of the approved Director's Deed.
- Copy of Form RW 16-1.

16.07.03.00 **Transmittal of Résumé Package and Director's Deed to HQ R/W – CTC-Approved Deeds**

The Region/District will transmit résumé packages for Director's Deeds requiring CTC approval to HQ R/W. These packages can be transmitted electronically to HQ R/W. The packages shall include a copy of the executed authorizing contract and the following completed documents:

- Excess Land Resume (see Exhibit 16-EX-26).
- Form RW 16-1.
- An Index Map and Parcel Map prepared in 8½" x 11" format that conform to the Department's [Plans Preparation Manual, Director's Deed Mapping Standards](#).
- Administrative Authorization (if necessary) for adjustments to direct sale price (see Section 16.05.05.01).
- A Director's Deed that conforms to R/W Manual [Chapter 6, Right of Way Engineering](#).
- A copy of the authorizing resolution from the public agency's governing body for direct sales to a public agency for a public purpose (see Section 16.05.09.02).
- Any other substantiating documents to explain and support the conveyance transaction when requested by HQ R/W.

The original Director's Deed must also be mailed to HQ R/W when the legal description includes a licensed land surveyor's signature and seal. All documents should be received in HQ R/W prior to District cutoff (see Section 16.07.04.00). The original deed is returned to the Region/District upon approval by the CTC. A copy is made and retained in HQ R/W files.

The Region/District executes and records the Director's Deed and sends the original to the purchaser, retaining a copy for the Region/District parcel file.

16.07.04.00 **Deadline for Submitting Résumé Package to HQ R/W - CTC-Approved Deeds**

Region/District should transmit all material requiring submission to the CTC so that it is received in HQ R/W approximately 45 days prior to the CTC meeting or the District Cutoff date. HQ R/W notifies the Region/Districts of the cutoff date as soon as the CTC schedule is available. Résumé packages received after the cutoff date will be held for the next scheduled CTC meeting.

16.07.05.00 **Recordation of Director's Deeds**

Excess Land shall record all Director's Deeds prior to delivery to the purchaser, except for conveyances to other public agencies. The Director's Deed may be delivered to an escrow agent, when applicable, with appropriate instructions regarding recordation and payment of transfer costs. Recordation costs are borne by the purchaser, except as noted in Section 16.05.05.02.

Deeds to other public agencies may be delivered to them for acceptance and recordation. The public agency is required in these cases to provide Excess Land with recording data when available.

16.07.06.00 **Nonpayment of Transfer Costs**

The Department shall not participate, nor pay any costs involved in the transfer of title, such as escrow fees, seller's share of real estate commissions, and policies of title insurance. Payment of such items constitutes a gift of public funds.

EXCESS LAND DISPOSAL FILE DOCUMENTATION	
Item	Explanation
Excess Land Resume - CTC-approved deeds only	See Exhibit 16-EX-26.
Form RW 16-1	For multiple-parcel disposal units, include a separate RW 16-1 (sections I, II, and III) for each parcel in the disposal unit, and a recapitulation in sections IV through VI-A/B.
Director's Deed	The original is returned to the Region/District upon approval by the CTC. It is signed in the Region/District, recorded by Excess Land, and sent to the buyer. A copy is retained in the Region/District's parcel files.
Parcel Map	Clearly showing the property to be conveyed, and, for direct sales, identifying all adjoining owners and any abutting State-owned excess land.
Appraisal Report or Public Sale Estimate (PSE)	An original or copy of all valuations shall be retained in the file.
Index Map	In sufficient detail to show the property being conveyed in relation to adjacent streets and highways.
Correspondence	Copies of any correspondence or other information that has bearing on the disposal, gives a total picture of the transaction, or facilitates review (e.g., legal opinions, legislative inquiries, administrative authority to sell for less than appraised value or minimum bid.)
Purchase Agreement	One copy of each signed Purchase Agreement shall be retained in the file.
Additional Information	Memorandum of Substantial/Nonsubstantial Reduction For parcels that were not originally full-take acquisitions and all Finding B conveyances shall contain the following statement in the property description section of Form RW 16-1: "A parcel review has been completed and there are no contractual obligations." If contractual obligations are found, their disposition shall be explained in full.
Adjustments	For VTA of rescinded route parcels and any other adjustments to VTA on Form RW 16-28.
R/W Contract	Copy of the contract and any amendments, the MOS, the Federal Participation Memo (if applicable), and a parcel map for exchange transactions.
Note and Deed of Trust	One copy retained in Region/District files. (Original sent to Division of Accounting until reconveyed.)
Utility Agreement	Copy of the agreement establishing the State's obligation for transactions with utility companies.
Cooperative Agreement	Copy of the agreement for conveyance of excess real property interests to a public agency pursuant to a Cooperative Agreement.
Agreement for Transfer of Jurisdiction	Copy of the agreement for conveyance of excess real property interests to other State agencies. Archive copy.
Notice of Determination	For those parcels that require an environmental document. (See Section 16.03.02.00.)
Other Agreements	Copy of the agreement providing the authority for conveyance of excess real property interests to the purchaser.

16.07.07.00 **Cancellation of Sale Prior to CTC Approval**

At the Region/District's discretion, Excess Land may cancel a sale prior to CTC approval. Excess Land shall act expeditiously to notify all concerned parties of the cancellation and to reschedule the sale of the excess land at the earliest possible date. The reasons for the cancellation are documented in the parcel file. If a bidder requests cancellation of sale prior to CTC approval, Excess Land retains that portion of the deposit representing liquidated damages.

16.07.08.00 **Cancellation of Sale Prior to Recordation**

Prior to recordation of the deed, the buyer or the Department may wish to withdraw from the sale if it is discovered that the condition of the parcel has changed to the detriment of the buyer or material facts advertised in the selling of the parcel were in error. Under these circumstances, Excess Land shall cancel the sale, request an updated valuation, and reschedule the sale at the earliest possible date.

16.07.09.00 **Correction Deeds**

When an executed Director's Deed contains deficiencies or defects in the legal description and a Correction Deed must be secured, either before or after recording of the original, Excess Land shall consult with Right of Way Engineering for appropriate corrective measures.

Director's Deeds to correct legal descriptions in previous conveyances do not require submission to the CTC. (See Exhibit 16-EX-6.) File documentation for correction deeds must clearly state the error being corrected and cite the delegated authority to approve.

16.07.10.00 **Vesting Changes**

Director's Deeds approved by the CTC requiring a change or correction in the vesting must be submitted to the CTC for approval with a résumé that summarizes the need for change or correction and recapitulates prior action by the CTC.

16.08.00.00 - CREDIT SALES

16.08.01.00 General

S&H Code Section 118 authorizes the Department to sell, contract to sell, sell by trust deed, or exchange real property, or interest therein, found to be in excess of highway needs upon terms, standards, and conditions established by the CTC. Sales shall be for cash. Credit terms shall not be offered without prior HQ R/W approval.

All such contracts of sale or sales by trust deed shall bear interest. Except where otherwise provided by law, the payment period in any such contract of sale or sale by trust deed shall not extend longer than 10 years.

Such transactions with private parties shall require a down payment of at least 30% of the purchase price. Excess Land will verify the creditworthiness of the buyer of any property to be sold by Trust Deed. See R/W Manual Section 16.08.05.00.

16.08.02.00 Low- and Moderate-Income Housing

When unimproved real property is sold or exchanged for the purpose of housing for persons of low and moderate income, as defined in Section 50093 of the Health and Safety Code (see Section 16.12.04.00), the payment period may not exceed 40 years and the down payment shall be at least 5% of the purchase price.

The rate of interest for any such contract of sale shall be computed annually and shall be the same as the average rate returned by the State's Pooled Money Investment Fund for the five fiscal years immediately preceding the year in which the payment is made.

Such contracts of sale or sale by trust deed shall not be used if the proposed development or sale qualifies for financing from other sources and if such financing makes feasible the provision of low and moderate income housing.

16.08.03.00 Credit Sale by Trust Deed

Credit terms should not be offered when adequate financing is available and shall not be offered without prior HQ R/W approval. A potential buyer's inability to secure financing is not adequate justification to offer credit terms. Credit terms are limited to properties selling for \$100,000 or more. Sales under \$100,000 must be for cash, except for those sold under informal time payment plans (see Section 16.05.04.00). Requirements for credit sales are shown on the table entitled "Credit Terms - Sale by Trust Deed" on the following page.

All improved residential property sold to a local public agency, if subsequently sold or transferred to a nonprofit housing organization for housing of persons and families of low and moderate income sold and financed pursuant to S&H Code Section 118 (a)(2), shall be endorsed by the city in which the parcels are located, or the county if located in an unincorporated area. The endorsement shall provide that the housing remain at affordable costs to persons and families of low or moderate income and very low income households for the longest feasible time as determined by the city or the county, but not less than 15 years. By endorsing such a sale, the city or county accepts responsibility for ensuring the housing remains affordable. The local public agency shall record covenants or restrictions implementing this provision in the office of the county recorder. Notwithstanding any other provision of law, the covenants or restrictions shall run with the land and shall be enforceable against the original purchaser from the department and successors in interest.

16.08.03.01 **Escrow Requirement**

For credit sales, the purchaser shall open an escrow at purchaser’s expense with a title company satisfactory to both parties and shall deposit a fully executed Note and Deed of Trust into the escrow within 30 days after execution of the sales agreement. The balance of the down payment is due prior to recordation of the Director’s Deed. The Note and Deed of Trust shall be written in the amount of the balance of the purchase price and shall be payable to the State of California, acting by and through the Department of Transportation. The title company handling the escrow shall be the trustee, and the purchaser shall bear all costs.

CREDIT TERMS - SALE BY TRUST DEED		
Term	Requirement	Type of Real Property
Credit Check	All purchasers on credit terms, except for government agencies, must prove creditworthiness. The cost of the credit check will be borne by the purchaser.	All property.
Payment Period	Not to exceed 10 years	All improved real property. All unimproved real property with the following exceptions.
	Not to exceed 40 years	Unimproved real property sold or exchanged to provide housing for persons of low- or moderate-income.
Down Payment	At least 30%	All real property, with the exception of unimproved property, to be used for low- or moderate-income housing.
	At least 5%	Unimproved real property sold or exchanged to provide housing for persons of low or moderate income.
Interest Rates	Prevailing federal funds rate as established by the Federal Reserve Bank, plus five percent	All properties other than unimproved real properties sold or exchanged to provide housing for persons of low and moderate income.
	Average rate (computed annually) returned by the State’s Pooled Money Investment Fund for the past five fiscal years immediately preceding the year in which payment is made	Unimproved real property sold or exchanged to provide housing for persons of low or moderate income.

16.08.03.02 **Provisions of Trust Deed and Note**

The Trust Deed and Note shall designate the purchaser as Trustor; the title company as Trustee; and the State of California, acting by and through the Department of Transportation, as Beneficiary. The Trust Deed shall contain provisions substantially the same as shown on Exhibit 16-EX-16. These provisions are common to those contained in the standard forms of major title companies.

16.08.03.03 **Processing of Director's Deed Sale With Trust Deed**

The résumé package prepared for the sale shall include a copy of the Purchase and Sale Agreement with State Financing Addendum, Trust Deed and Note, and a completed Form RW 16-1 indicating:

- The sale is on credit terms pursuant to Section 16.08.03.00.
- The amount of the deposit received.
- The date the required balance of the down payment will be deposited with the escrow agent.

16.08.03.04 **Deposit of Director's Deed With Escrow Agent**

The Department's escrow instructions, containing substantially the same language as shown on Exhibit 16-EX-17, shall be forwarded with the Director's Deed to the title company handling the escrow.

16.08.03.05 **Retention of Trust Deed and Note**

Excess Land shall forward the recorded Trust Deed and executed Note to the Division of Accounting with a request to forward a statement to the purchaser. The statement shall provide for quarterly payments at the specified interest rate for the term of the Note. The Division of Accounting is responsible for safekeeping the Note and Trust Deed during the term of the trust.

16.08.03.06 **Full Reconveyance Upon Payment**

Accounting shall notify the DDC-R/W upon receipt of final payment of the outstanding balance or written notice by the trustee that full payment has been deposited in escrow for the Department. The DDC-R/W shall request the District Director to execute a Full Reconveyance.

Excess Land forwards the signed Note and Request for Reconveyance to the trustee for cancellation and issuance of the Full Reconveyance. The purchaser pays all fees in connection with the reconveyances.

16.08.03.07 **Partial Reconveyances, Subordinations, and Assumptions**

Partial reconveyances may be authorized if:

- It is in the Department's best interest.
- The remaining property is adequate security for the balance of the loan.

The district shall prepare an appraisal and a memorandum to the file, which shall explain and justify the proposed partial reconveyance and the value of the remaining property. An appropriate fee will be charged to the borrower sufficient to cover the administrative expenses incurred by the Department.

Subordination of the Department's interest is limited to easements required by public utilities or public agencies in connection with a public project. All monies received by the purchaser in connection with conveyance of the subordinated interest are paid to the Department and credited against the principal obligation.

Excess Land shall document requests and justify subordination approvals in the excess land parcel file.

Assumption of a loan may be allowed with Caltrans' approval. An approved credit report and an Assumption Agreement (Form RW 16-18) are required.

16.08.03.08 **Prepayments**

The principal obligation under a Trust Deed may be prepaid in full or in part at any time without penalty. Partial payments made in advance of the regular schedule shall be applied against the principal obligation and shall not replace regularly scheduled payments.

16.08.03.09 **Fire Insurance Coverage**

The purchaser shall deposit with the escrow agent a Fire Insurance Policy in an amount commensurate with the value of any substantial improvements located on the parcel at the time of purchase. This Policy names the State of California, acting by and through the Department of Transportation, as co-insured with the purchaser if the improvements are of substantial value, habitable, or usable in connection with operation of the property.

Fire insurance policies are written to cover a one or three year period. Excess Land must assure that the policy is renewed prior to expiration of the prescribed term.

The State of California may be named as co-payee on a check for settlement of a claim resulting from fire damage to insured improvements. Excess Land shall forward the check to Division of Accounting for endorsement along with a complete report of the extent of damage and a statement of the amounts, if any, to be paid to the State. Excess Land's recommendation should consider the outstanding balance under the Trust Deed and the security the remaining property represents.

16.08.03.10 **Defaults**

If the purchaser defaults after commencement of payments and recordation of the Trust Deed, Excess Land shall notify the trustee to begin default proceedings in accordance with terms of the Trust Deed. Excess Land shall take all actions necessary, including attendance at the default proceedings and payment of reasonable costs, to enter a bid in the trustee sale on the State's behalf. Excess Land should contact Legal regarding specific guidelines. Division of Accounting will provide the necessary calculations of amounts due.

16.08.03.11 **Acceleration Clause in Trust Deeds**

The acceleration clause shall be enforced if the purchaser sells the property by deed or installment contract. Before enforcing the clause, Excess Land should discuss the factual circumstances of the sale with Legal.

Enforcement of the acceleration clause is not required in the following instances:

- Conveyance of non-substantial utility easements.
- Conveyance of non-substantial portion of property for public purpose.
- Conveyance to either spouse resulting from dissolution of marriage.
- Encumbrance of the property with a second trust deed or other junior encumbrance by the purchaser.

16.08.03.12 **Trust Deed Late Payment Penalties**

Quarterly payments are due on the first day of the month beginning 90 days after close of escrow and the first day of each quarter thereafter. For example, if escrow closes on December 15, the first payment is due April 1.

All credit sale promissory notes shall provide for a penalty of 5% of any trust deed payment that is paid more than 10 days after its due date.

16.08.04.00 **Trustor Bankruptcy**

Excess Land should contact Legal and request assignment of an attorney immediately after being notified that the Department's trustor has filed for bankruptcy.

The Clerk of the Bankruptcy Court will send a Notice of Meeting of Creditors to the debtor, the creditors, and other interested parties. Excess Land should attend this meeting to ensure the Department is on the list of creditors filed by the debtor (trustor). If not, a proof of claim must be filed with the court within a specified time.

The State's attorney should attend all subsequent meetings and hearings to ensure protection of the Department's interest.

16.08.05.00 **Credit Check**

Excess Land shall establish the creditworthiness of prospective credit buyers. At a minimum, existing Department records must be reviewed to determine that the applicant is not currently in default on prior credit sales, and a credit report containing a FICO score of 750 or higher must be received from an established credit reporting agency. The buyer shall pay the costs of the credit report at the public sale. Such costs are nonrefundable in the event the buyer defaults.

NOTES:

16.09.00.00 - RESCINDED ROUTE PROCEDURES

16.09.01.00 General

Excess parcels created by route rescission are subject to the requirements and instructions previously set forth in this Chapter, except as modified or supplemented in this section.

16.09.02.00 Phase I - Notice of Intention to Rescind

Phase I commences when the CTC passes a Notice of Intention to Rescind. The assigned project team consists of one representative from each of the district functions indicated in the following table.

PHASE I RESPONSIBILITIES	
Team Member	Responsibilities
Excess Land	<p>Acts as team leader and coordinates the efforts of the project team.</p> <p>In coordination with Project Development, completes notification to governmental agencies immediately following a Notice of Intention to Rescind.</p> <p>Identifies properties subject to provisions of S&H Code Section 118.1 and notifies eligible tenants.</p> <p>Simultaneously coordinates and commences development of a Project Sales Plan, including estimated sales dates and probable disposal methods.</p> <p>Identifies parcels that may have significant environmental sensitivity and assumes responsibility for obtaining environmental clearance.</p>
Right of Way Engineering	<p>Provides project and parcel mapping where needed.</p> <p>Provides Director’s Deeds and Director’s Deed maps to team leader as soon as possible after the “Notice.”</p> <p>Completes Items A through F on Rescinded Route Parcel Inventory, Form RW 16-7, covering each disposable property. Forwards the form to Property Management.</p>
Property Management	<p>Completes Items G and H on Form RW 16-7.</p>
Planning and Management	<p>Completes Items I, J, and K on Form RW 16-7.</p> <p>Identifies those parcels that meet the three qualifying criteria under S&H Code Section 118.5 for payment of back taxes to local taxing agencies.</p>
Relocation Assistance	<p>Compares the Rescinded Route Parcel Inventory forms to existing RAP records and determines the amount of relocation assistance that may be necessary, if any.</p>

The project team shall:

- Complete a detailed inventory of all the Department's real property on the route segment that is a candidate for rescission within 30 days following passage of the Notice.
- Notify all appropriate State, regional, county, and city agencies as quickly as possible after the Notice of Intention to Rescind is passed. Notification should indicate the Department's intent to dispose of previously acquired rights of way and should satisfy the provisions of S&H Code Sections 118 and 118.6 and Government Code Sections 54220 et seq. and 54235 et seq. (See Exhibit 16-EX-2 for a suggested format of the notification letter or memorandum.)
- Develop Project Sales Plan.
- Complete Director's Deed and map for each property.

16.09.03.00 **Phase II - Route Rescission**

Phase II commences when the CTC rescinds the route adoption. The assigned project team consists of one representative from each of the district functions indicated in the following table entitled "Phase II Responsibilities." The Phase II team shall:

- Enter all Department-owned real properties on the rescinded route segment into the ELMS within 30 days following rescission.
- Settle all contractual, RAP, and other obligations in a manner equitable to both the Department and the property owners.
- Dispose of the excess properties.

16.09.04.00 **Federal Advanced Acquisition Fund (FAAF)**

The ultimate rescission of a route adoption and direction by the CTC to dispose of previously acquired rights of way requires the Department to withdraw the project from FAAF programming. Such withdrawal necessitates repayment of the full amount of advances received from FHWA and payment to FHWA of the net rental income received from any FAAF parcels on the project until the date of withdrawal.

16.09.05.00 **Local Real Estate Taxes**

S&H Code Section 118.5 requires the Department to pay local real estate taxes equal to the taxes that would have been paid had the property remained in private ownership. Such taxes shall be paid only in those instances where all three of the following criteria are met:

- The parcel was acquired by Final Order of Condemnation.
- No portion of the parcel that was acquired has ever been used for any of the purposes specified in S&H Code Section 104.
- The parcel is being offered at public sale.

The amount of any payments made pursuant to S&H Code Section 104.10 with respect to the property (24% of gross rent receipts) shall be deducted from the amount required to be transmitted pursuant to this section.

16.09.06.00 **RAP Policy**

After the CTC rescinds a route adoption, RAP policy requires that offers of RAP benefits and services be formally withdrawn from former owners and inherited tenants. Former owners who have remained in occupancy and tenant occupants who meet the criteria of CTC Resolution G-2 (as amended) are given the opportunity to purchase their property by direct sale.

All occupants should be encouraged to remain in occupancy as protection against vandalism. However, their right to occupy after the Director's Deed has been recorded will be dependent upon their working out an agreement with the new owner.

If occupants are forced to relocate from a dwelling as a direct result of the Department's disposal of the dwelling, within 90 days of the recordation of the Director's Deed, Relocation Assistance shall coordinate and accomplish the following pursuant to Government Code Section 54238.3(b):

- Provide relocation advisory assistance to affected parties where appropriate.
- Make relocation payments where appropriate.

Applicability of Government Code Section 54238.3(b) is limited to Interstate Route 710 between Route 10 and Route 210.

RAP-eligible former owners still in occupancy may elect to repurchase with applicable RAP benefits in accordance with existing policy.

RAP-eligible former tenants should be notified and advised of their eligibility in accordance with existing policy.

Excess land will normally be sold subject to the occupancy of existing tenants since State-initiated evictions may create renewed relocation eligibility unless the eviction is for cause. All proposed evictions of former eligible occupants should be mutually agreed to by Relocation Assistance and Excess Land. State-caused evictions of former RAP eligibles should only take place where there is a clear economic advantage or other compelling reason to do so.

Another action that may cause renewed eligibility for previously eligible occupants or for ineligible occupants is the sale of occupied excess to another public entity for ultimate clearance and use. All sales agreements with other public agencies must contain a clause specifying that the purchasing agency will assume responsibility for relocation benefits that may accrue to existing occupants. If agreement cannot be reached as to responsibility for relocation of existing occupants, the district should request a legal determination of liability before finalizing the sales agreement.

It is the responsibility of Excess Land to coordinate closely with the District RAP Manager to determine the most economical method of fulfilling the State's RAP obligations.

PHASE II RESPONSIBILITIES	
Team Member	Responsibilities
Excess Land	<p>Acts as team leader and coordinates efforts for timely disposal of rescinded route properties.</p> <p>Enters parcels into the ELMS in accordance with the ELMS/EDP Users Handbook.</p> <p>Follows the Sales Plan developed during Phase I in sending appropriate notices to occupants. Handles purchase or lease requests from other governmental agencies in the normal manner.</p> <p>It is essential from a public relations standpoint that occupants be advised of the progress toward, and actual sale of, the parcels they are occupying. This element should be included in the plan.</p>
Planning and Management	<p>Requests HQ R/W to withdraw the rescinded route segment from FAAF programming, where appropriate.</p> <p>Works with local taxing agencies to clear the State's obligation, if any, under S&H Code Section 118.5. This responsibility is limited to those parcels identified during Phase I as meeting the three qualifying criteria.</p> <p>S&H Code Section 118.5 requires any back taxes to be paid prior to consummation of any public sale. It is important to clear any required back tax payments as soon as possible so that public sale of the parcel can occur promptly.</p> <p>Section 118.5 is imprecise about the method of calculating the Department's tax liability. If differences of opinion develop with a local assessor or tax collector, the District should work with District Right of Way Planning and Management to reach a reasonable settlement of the Department's back tax liability, if any.</p> <p>Provides a written certificate upon clearance of the Department's Section 118.5 obligation on a particular parcel.</p>
Acquisition	<p>Negotiates with former owners or their successors in interest on part-take parcels selected during Phase I for direct sale to such parties, including settlement of all deed and contractual obligations. Coordinates their efforts with other members of the Project Team.</p>
Relocation Assistance	<p>Reviews and updates occupancy data with Property Management and confirms RAP eligibility status of occupants.</p> <p>Promptly issues notices to all occupants who were previously offered relocation benefits, formally effecting the change of RAP eligibility.</p>
Appraisals	<p>Provides necessary appraisals or disposal value estimates when requested.</p>

**16.10.00.00 - SALES OF SURPLUS RESIDENTIAL
PROPERTIES AND REPLACEMENT HOUSING**

These provisions have been superseded by Government Code Section 54235, et seq., and are rescinded in their entirety.

NOTES:

16.11.00.00 - PORTER BILL PARK LEASES

16.11.01.00 General

CTC Resolution No. G-3 (Exhibit 16-EX-9) sets forth the general terms and conditions of the lease of excess property to local agencies for park purposes (S&H Code Section 104.15).

16.11.02.00 Determination of Qualifying Parcels

Pursuant to S&H Code Section 104.15, District Right of Way shall assist local agencies in developing park and recreational facilities on excess land where such use represents the highest and best use.

As excess parcels are certified for disposal, Excess Land shall review them for conformance with the criteria established for Section 104.15.

Excess Land should negotiate a direct sale to a local agency on any parcel with a market value of \$2,500 or less since the procedures for processing a Porter Bill application are complex and expensive for both the local agency and the Department.

Taking into consideration the terms and conditions of the lease, Excess Land shall lease only those excess parcels where the fair rental value substantially equals the value of the enhancement and benefit to the State highway in preserving its view, appearance, light, air, and usefulness. The rental rate shall be determined considering the present value of the proposed construction and maintenance of park improvements, including any cost to maintain landscaping undertaken by the lessee within the State highway right of way, which would otherwise be the Department's obligation. A minimum rental fee of \$100 shall be charged.

On routes involving federal participation, the following qualifying criteria are used as a guide in obtaining FHWA participation.

- The final voucher has not been submitted for the right of way project.
- The related highway facility has not been open to traffic for more than two years.
- There would be no substantial difference in Federal participation whether the parcel is incorporated in the right of way or is disposed of by public sale.
- The proposed use of the excess land would enhance the highway facility or further integrate the highway into the local environment.

16.11.03.00 Local Agency Notification

Where excess properties are economically and physically suited for park and recreational uses, local agencies shall be invited to consider such development.

Excess Land shall notify all interested local agencies, such as cities, counties, and recreational districts, of the availability of parcels. The notification should indicate that the Department intends to sell the excess land but will withhold the properties from public sale for 60 days to allow local agencies to respond.

The local agency shall be furnished with a copy of a Request for Consideration of Lease of Excess Land Pursuant to Section 104.15 (Exhibit 16-EX-10), appropriate maps of the available area, and a copy of the proposed lease (Exhibit 16-EX-11). See Exhibit 16-EX-12, Instructions on Use of Lease Format.

16.11.04.00 **Request for Consideration of Lease**

The local agency shall have no more than 60 days after receipt of the written notice to inform the Department of its intention to apply for use of excess lands for park purposes pursuant to Section 104.15. The local agency shall submit a Request for Consideration of Lease of Excess Land Pursuant to Section 104.15 within 120 days of notifying the Department of its intention. The local agency's request or application must be accompanied by the following:

- An 8½" x 11" or 11" x 17" preliminary development plan that includes a description of the proposed development, type of activity, location of active recreational facilities, and access routes from the State highway and the local community area. The plan should also provide a brief justification of need for the lease for park and recreational purposes.
- Estimates of construction and annual maintenance costs.
- Proposed method of financing the project.
- Time frame for development.

16.11.05.00 **Fair Market Value Requirement**

Excess Land shall inform the local agency that it will be required to purchase the affected property at fair market value whenever the excess parcel:

- Exceeds a depth necessary to protect the State highway, public work, or improvement and its environs or will not preserve its view, appearance, light, air, and usefulness; and
- Use of a portion of the land for park purposes, pursuant to Section 104.15, may have a detrimental effect on the market value or salability of the excess land lying beyond the depth necessary to protect the State highway, public work, or improvement and its environs or will not preserve its view, appearance, light, air, and usefulness.

Fair market value shall be based on the value of the affected property as a part of the whole parcel for its highest and best use without consideration of the effects of the proposed park.

16.11.06.00 **District Investigation**

Upon receiving notification from the local agency of its intention to apply for use of excess lands for purposes pursuant to Section 104.15, the district will investigate the use to which the excess property will be put and the extent to which projected use will protect such highway, public work, or improvement and its environs and will preserve its view, appearance, light, air, and usefulness.

The District Porter Bill Review Committee (consisting of District Right of Way, Landscape Architecture, and Environmental Analysis) shall conduct the investigation. If the district does not have a representative available, it should request participation through the appropriate Headquarters office. The Committee shall certify that the entire area covered by the proposed application conforms to the requirements of Section 104.15 and shall make a recommendation for Certification of Conformance, Exhibit 16-EX-13, to the DD or the DDC-R/W. Either the DD or the DDC-R/W will execute the Certificate.

16.11.07.00 **Criteria**

Criteria for determining the extent to which projected use will protect the highway, public work, or improvement and its environs and will preserve its value, appearance, light, air, and usefulness shall include, but not be limited to, the items in the chart on the following page.

Criteria	Explanation		
Economic Uses	All economic uses of the property should be considered and a determination made that park and recreational development is economically practical and that no unreasonable revenue loss will be incurred by development as proposed.		
Economic Feasibility	The measure of economic feasibility shall be where the fair rental value, taking into consideration the terms and conditions of the lease, substantially equals the value of the enhancement and benefit to the highway, public work, or improvement in preserving its view, appearance, light, air, and usefulness.		
Visibility	Neither immediate access from the highway nor visibility of all portions of the parcel to be leased by highway motorists is a requirement. If any portion of the parcel is not visible, an analysis should be made of the possible benefits from developing the nonvisible portion as a park or the drawbacks from selling the parcel for development, relative to the criteria established for Section 104.15. That portion of the parcel not visible may be included in the leased area if positive benefits are expected for either the State or the local agency.		
Continuous Development	Portions of the larger parcel not capable of continuous development should not be considered for lease. Continuous development could be hampered by natural or man-made obstacles, such as flood control channels, tree banks, railroad tracks, or streams.		
Joinder	Joinder to other parcels with different uses or a higher and better use for independent development should be considered. A narrow strip adjoining a residential development would probably be best used by joining to the residential development if it is not of sufficient size to be used for park purposes.		
Value	No portion of the parcel to be leased shall unreasonably exceed in value the present enhancement and benefit criteria applied to the larger parcel.		
Recreation/Use	The proposed development may be either for active recreation or passive enjoyment. Active recreational facilities should be located or screened by planting or other means so use does not create a nuisance, distraction, or hazard to the highway user or nearby community. For example, parking areas and maintenance yards must be screened by landscaping and night lighted facilities must be located so lights do not create a distraction, glare, or hazard.		
Environmental Hazards	<p>Environmental hazards and constraints should be considered both for potential beneficial or adverse effect on park use, as well as in determining fair market value.</p> <table border="0" style="width: 100%;"> <tr> <td style="vertical-align: top; width: 50%;"> <p>Seismic zones</p> <ul style="list-style-type: none"> • Located on fault • Near fault • Potential damage from landslides <p>Floodplains</p> <ul style="list-style-type: none"> • Likelihood of occurrence • Potential damage to wells or other improvements • Propensity to reduce capacity of flood channels • Permit required or prohibitions against development • Protection of riparian vegetation </td> <td style="vertical-align: top; width: 50%;"> <p>Unstable soils</p> <ul style="list-style-type: none"> • Landslides or mudflows • Shrink swell characteristics • Foundation or bearing constraints • Subsidence • Erodibility <p>Topography</p> <ul style="list-style-type: none"> • Slope excessive • Access limited • Exposure to adverse weather <p>Health and safety hazards</p> <ul style="list-style-type: none"> • Dangerous areas, e.g., cliffs and crevasses • Quicksands or bog areas • Agricultural spraying • Riptides, undertows, etc. • Throwing objects on roadway • Objects thrown from roadway </td> </tr> </table>	<p>Seismic zones</p> <ul style="list-style-type: none"> • Located on fault • Near fault • Potential damage from landslides <p>Floodplains</p> <ul style="list-style-type: none"> • Likelihood of occurrence • Potential damage to wells or other improvements • Propensity to reduce capacity of flood channels • Permit required or prohibitions against development • Protection of riparian vegetation 	<p>Unstable soils</p> <ul style="list-style-type: none"> • Landslides or mudflows • Shrink swell characteristics • Foundation or bearing constraints • Subsidence • Erodibility <p>Topography</p> <ul style="list-style-type: none"> • Slope excessive • Access limited • Exposure to adverse weather <p>Health and safety hazards</p> <ul style="list-style-type: none"> • Dangerous areas, e.g., cliffs and crevasses • Quicksands or bog areas • Agricultural spraying • Riptides, undertows, etc. • Throwing objects on roadway • Objects thrown from roadway
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Criteria	Explanation		
Sensitive Areas	<p>Environmentally sensitive areas should be considered.</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Wildlife habitat</p> <ul style="list-style-type: none"> • Limited extent • Unique • Rare or endangered species of wildlife present • Breeding or nursery area • Essential to life cycle of certain species • Proximity to State or Federal Refuges • Protection of wetlands or other critical habitats • Value for scientific purposes (academic research) <p>Water areas</p> <ul style="list-style-type: none"> • Potential for pollution of domestic or municipal sources • Hazard to users • Value as wildlife habitat • Aesthetic considerations • Recreational uses </td> <td style="vertical-align: top; padding-left: 20px;"> <p>Coastal zone or other area of unique value</p> <ul style="list-style-type: none"> • Provide beach access • Equestrian, pedestrian, bicycle use potential • Aesthetic considerations <p>Heritage resources</p> <ul style="list-style-type: none"> • Historical significance • Archaeological significance • Natural landmark • Paleontological value <p>Vegetation</p> <ul style="list-style-type: none"> • Rare or endangered species • Specimen trees • Aesthetic considerations • Erosion protection • Potential commercial value • Value for scientific purposes </td> </tr> </table>	<p>Wildlife habitat</p> <ul style="list-style-type: none"> • Limited extent • Unique • Rare or endangered species of wildlife present • Breeding or nursery area • Essential to life cycle of certain species • Proximity to State or Federal Refuges • Protection of wetlands or other critical habitats • Value for scientific purposes (academic research) <p>Water areas</p> <ul style="list-style-type: none"> • Potential for pollution of domestic or municipal sources • Hazard to users • Value as wildlife habitat • Aesthetic considerations • Recreational uses 	<p>Coastal zone or other area of unique value</p> <ul style="list-style-type: none"> • Provide beach access • Equestrian, pedestrian, bicycle use potential • Aesthetic considerations <p>Heritage resources</p> <ul style="list-style-type: none"> • Historical significance • Archaeological significance • Natural landmark • Paleontological value <p>Vegetation</p> <ul style="list-style-type: none"> • Rare or endangered species • Specimen trees • Aesthetic considerations • Erosion protection • Potential commercial value • Value for scientific purposes
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Sensitive Elements	<p>Socially sensitive elements from perspective of both impact of the park on adjacent areas and the adjacent areas (including the highway) upon the park should be considered such as the following:</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Noise</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Character of neighborhood • Proposed use of park <p>Air quality</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Potential for increase of pollutants due to increasing traffic </td> <td style="vertical-align: top; padding-left: 20px;"> <p>Traffic</p> <ul style="list-style-type: none"> • Safety • Noise and air pollution • Parking • Access • Increase on residential streets • Create barrier to circulation <p>Storm Water Quality</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Potential for increase in discharge of pollutants due to site activities (e.g., litter) </td> </tr> </table>	<p>Noise</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Character of neighborhood • Proposed use of park <p>Air quality</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Potential for increase of pollutants due to increasing traffic 	<p>Traffic</p> <ul style="list-style-type: none"> • Safety • Noise and air pollution • Parking • Access • Increase on residential streets • Create barrier to circulation <p>Storm Water Quality</p> <ul style="list-style-type: none"> • Sensitivity of receptors • Potential for increase in discharge of pollutants due to site activities (e.g., litter)
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16.11.08.00 **District Process**

Upon receipt of the Request for Consideration of Lease of Excess Land Pursuant to Section 104.15 from the interested local agency, the district will develop the items in the following table.

Item	Explanation
Fair market value appraisal	Meeting the requirements set forth in Section 16.04.00.00.
Engineering statement	Signed by appropriate district representative containing: <ul style="list-style-type: none">• Age of State highway or public work.• Estimated economic life.• Planned or anticipated additional transportation requirements for adjacent or nearby facilities that could affect the planned park and a map showing such effect. The anticipated year of impact and a negative statement, if applicable, should be included.• Traffic volumes through the planned economic life of the highway facility.
Statement of anticipated reasonable annual maintenance costs	Based on the leased portion remaining in State ownership and being incorporated into the Right of Way. This should be signed by a representative of the Landscape Architecture staff.

After receiving the items listed in the table, Excess Land shall complete the Supplemental Data Sheet (Exhibit 16-EX-14).

Excess Land shall forward copies of the following documents to HQ R/W for review and submittal to the CTC:

- Local agency’s request with attached preliminary development plan.
- District Certification of Conformance.
- Approved fair market value appraisal.
- Supplemental Data Sheet.
- Engineering statement.
- Maintenance cost statement.

16.11.09.00 **CTC Determination**

The final determination in each case rests with the CTC and can only be made after analysis of the development plans, cost, benefits, appraisal, and other factors.

If the CTC determines such park use is appropriate, Excess Land shall notify the local agency and cooperate with it in preparing detailed plans and specifications for the proposed development.

Excess Land shall immediately advise the local agency if its application is not approved. The local agency may appeal the decision.

16.11.10.00 **Lease Negotiations**

Excess Land shall negotiate a lease and sales contract, where appropriate, with the local agency. The property is withheld from sale for a period of one year after the CTC approves the application.

Within the one-year period, the local agency shall submit detailed plans for development of the proposed park for the District Landscape Architect's review and approval. The local agency shall also submit proof of its financial ability to commence construction of the proposed park within two years after plan approval and to complete construction within three years after plan approval.

If the local agency is unable to complete the detailed plans or negotiate a lease and sales contract within the one-year period, a 90-day extension may be granted. Excess Land shall process the parcel(s) for public sale after the 90-day extension period unless the local agency can demonstrate substantial progress towards completing the required documents.

16.11.11.00 **Lease Execution**

Upon approval of the detailed development plans, execution of the lease by the local agency, and preparation of Director's Deeds and sales contract, if appropriate, Excess Land shall execute the lease according to the existing delegation of authority.

After the lease is executed, Excess Land shall remove the parcels under lease from the Excess Land Inventory and transfer them into Special Account #784001 (excess land under long-term park leases).

16.11.12.00 **Compliance**

After the lease is executed, Excess Land is responsible to ensure that the local agency complies with the terms of the lease, including those pertaining to storm water pollution prevention. Porter Bill lease properties shall be annually inspected using the Property Management inspection forms, 11-EX-55 and 11-EX-55SW. Date of inspection must be recorded in the Right of Way Property Management System.

16.11.13.00 **Lease Provisions**

The standard Lease for Park and Recreational Purposes Pursuant to Section 104.15 and instructions for use of the lease can be found in Exhibits 16-EX-11 and 16-EX-12.

The terms and conditions as shown on the standard lease are applicable to all leases executed pursuant to Section 104.15. The CTC may prescribe additional terms.

16.11.14.00 **Appraisal Requirement**

A fair market value appraisal is required in all cases involving leases under Section 104.15. The fair market value appraisal must contain the additional data listed in the table below.

Data	Explanation
Breakdown statement of fair market value and fair rental value	For property as a whole and for areas carrying a different or higher value.
Map	Showing: <ul style="list-style-type: none">• Areas of varying value.• Area of lease.• Area of the remainder.• Total area proposed for development as park and present ownership.• Unique topographic factors (such as power lines, freeways, rivers, and streets) as well as any environmental sensitivities or hazards.
Estimate of fair market value	Under the conditions of the lease and factors affecting value determination as to the area to be leased.
Fair market value of any remainder	Appraiser's rationale.

Appraisals shall use the information listed above to establish the rental rate appropriate under the terms of Section 104.15 and to determine whether or not the local agency will be required to purchase property lying beyond the area to be leased.

HQ R/W, Appraisal Office, must review and approve all appraisals prepared for properties proposed to be leased pursuant to Section 104.15.

NOTES:

16.12.00.00 - STATUTES

16.12.01.00 General

This section contains statutes referred to in this chapter that are not included in the Department of Transportation's Statutes Publication (1996).

16.12.02.00 CEQA Guidelines 15312 (14-CCR 15312)

15312. CLASS 12. SURPLUS GOVERNMENT PROPERTY SALES. *Class 12 consists of sales of surplus governmental property except for parcels of land located in an area of statewide, regional, or areawide concern identified in Section 15206(b)(4).*

However, even if the surplus property to be sold is located in any of those areas its sale is exempt if:

- (a) *The property does not have significant values for wildlife habitat or other environmental purposes, and*
- (b) *Any of the following conditions exist:*
 - (1) *The property is of such size, shape, or inaccessibility that it is incapable of independent development or use, or*
 - (2) *The property to be sold would qualify for an exemption under any other class of categorical exemption in these guidelines, or*
 - (3) *The use of the property and adjacent property has not changed since the time of purchase by the public agency.*

16.12.03.00 Government Code

§ 7073. *Designation of enterprise zones; application, criterion, technical deficiencies*

- (a) *The governing body of a city or county may, either by ordinance or resolution, propose an eligible area plus one commercial or industrial area or both within its respective jurisdiction as the geographic area for an enterprise zone. A county may propose an area within the unincorporated area as the geographic area for an enterprise zone, but shall not propose an area within an incorporated area.*

This proposed geographic area shall be based upon findings by the governing body that the area is a depressed area and that the designation as an enterprise zone is necessary in order to assist in attracting private sector investment in the area. The city or county shall establish definitive boundaries for the area to be included in the application for designation and, if designated by the agency, the designation shall be binding for a period of 15 years.

- (b) *Following the application for designation of an enterprise zone by a city or county, the governing body shall apply to the agency for designation. The agency shall adopt regulations and guidelines concerning the necessary contents of each application for designation.*
- (c) *Any city, county, or city and county with an eligible area within its jurisdiction may complete a preliminary application. A maximum of 20 applications may be chosen each year to complete a final application.*
- (d) (1) *From the applications received, the agency may designate by December 1991, not more than 25 enterprise zones within the state, one of which may be designated an airport enterprise zone and not more than three of which may be designated high technology enterprise zones.*
- (2) *In the case of any existing enterprise zone or area established pursuant to Chapter 12.9 (commencing with Section 7080), or any new enterprise zone or area established pursuant to Chapter 12.9 (commencing with Section 7080) designated on or after the effective date of the act adding this paragraph, a city or county may propose that the enterprise zone or area established pursuant to Chapter 12.9 (commencing with Section 7080) within the incorporated area be expanded by 15 percent to include definitive boundaries that are contiguous to the enterprise zone or area established pursuant to Chapter 12.9 (commencing with Section 7080). The agency may approve that expansion for enterprise*

zones based upon the criterion specified in subdivision (e), and for expansion of areas established pursuant to Chapter 12.9 (commencing with Section 7080), the criterion specified in Section 7082.

- (e) *In designated enterprise zones, the agency shall select from the applications submitted those proposed enterprise zones which, based on those applications, meet, to the extent possible, the following criterion:*

Those proposed enterprise zones which, upon a comparison of all the applications submitted, indicate that they propose the most effective, innovative, and comprehensive regulatory, tax, program, and other incentives in attracting private sector investment in the zone proposed.

For purposes of this paragraph, regulatory incentives include, but are not limited to, all of the following: the suspension or relaxation of locally originated or modified building codes, zoning laws, general development plans, or rent controls; the elimination or reduction of fees for applications, permits, and local government services; and the establishment of a streamlined permit process.

Tax incentives include, but are not limited to, the elimination or reduction of construction taxes or business license taxes.

Program and other incentives may include, but are not limited to, all of the following: the provision or expansion of infrastructure; the targeting of federal block grant moneys, including small cities, education, and health and welfare block grants; the targeting of economic development grants and loan moneys, including grant and loan moneys provided by the federal Urban Development Action Grant program and the federal Economic Development Administration; the targeting of state and federal job disadvantaged and vocational education grant moneys, including moneys provided by the federal Job Partnership Training Act of 1982; the targeting of federal or state transportation grant moneys; and the targeting of federal or state low-income housing and rental assistance moneys.

In the process of designating new zones, the agency shall take into consideration the location of existing zones and make every effort to locate new zones in a manner that will not adversely affect any existing zones.

- (f) *In evaluating applications for designation, the agency shall ensure that applications are not disqualified solely because of technical deficiencies and shall provide applicants with an opportunity to correct the deficiencies. Applications shall be disqualified if the deficiencies are not corrected within two weeks.*

- (g) *For purposes of this section, "high technology enterprise zone" means an enterprise zone which is intended to attract private sector investment in high technology industries and is proposed to be located in an area which would permit the association of those industries with an urban university or college.*

- (h) *The applications and selection criteria for designation adopted pursuant to Section 7076 prior to the effective date of the act adding this subdivision shall apply to this section, as amended by the act adding this subdivision.*

- (i) *Section 7076 shall not apply to the extent it conflicts with the provisions of the act adding this subdivision.*

- (j) *For purposes of this section, "airport enterprise zone" means an enterprise zone intended to attract private sector investment in aviation-dependent industries, commercial aviation, and other commercial and industrial activity and which includes a rural airport located within unincorporated territory.*

§ 7082. Definitions

For purposes of this chapter:

- (a) *"Block group" means the smallest area for which the United States Department of Commerce, Bureau of the Census, provides data on personal income.*

- (b) *"Cluster of block groups" means one or more contiguous block groups.*

- (c) *"Poverty level" means the poverty level, as defined by the United States Department of Commerce, Bureau of the Census, as periodically updated.*
- (d) *"High density unemployment area" means any of the following:*
- (1) *A metropolitan statistical area or nonmetropolitan statistical area within this state, as identified by the Department of Commerce, which contains at least 4,000 people (in the case of a metropolitan statistical area) or at least 2,500 people (in the case of a nonmetropolitan statistical area) in a cluster of block groups, each of which meets the following criteria according to the most recent available decennial census information:*
- (A) *The average unemployment rate for the block group for the most recent 12-month period for which data are available was at least one and one-half times the average national rate of unemployment for that 12-month period.*
- (B) *The average poverty rate for the block group for the most recent 12-month period was at least one and one-half times the average national poverty rate for that 12-month period.*
- (C) *At least 70 percent of the household earnings for the block group for the most recent 12-month period was a maximum of 80 percent of the average state household earnings for that 12-month period.*
- (D) *The area excludes nondistressed areas.*
- (2) *If an area does not meet the criteria of a high density unemployment area specified above, an applicant may petition to the department for the designation based upon compliance with one or more of the following:*
- (A) *A special census is conducted and approved by the population research unit of the Department of Finance which demonstrates compliance with paragraph (1).*
- (B) *The applicant's jurisdiction has experienced a major economic dislocation resulting from plant closure or closure of a federal installation within the last 12 months prior to the application.*
- (C) *The applicant's jurisdiction contains a specifically defined geographic area that meets the eligibility criteria for pockets of poverty under the United States Department of Housing and Urban Development's Urban Development Action Grant (UDAG) program as described in 24 CFR Part 570, Sections 570.466(a)(2) and (a)(3), and as periodically updated.*
- (D) *A block group meets substantially similar criteria measuring economic distress as that measured in paragraph (1). Each census block shall meet the "substantially similar" criteria.*
- (E) *The area consists of the entire geographic area of a community. Area boundaries shall be synonymous with the boundaries of the community. As used in this subparagraph, "community" means a subdivision of a city or county (not including a city), including a neighborhood or suburb which has distinct boundaries, is recognized as a community by the individuals residing and working within the community, and has existed prior to the program planning process. Documentation demonstrating that the area meets the definition of "community" may include a map prepared for purposes other than the program, which lists both the name and boundaries of the*

community. The area shall meet the following criteria:

- (i) Complies with the above definition of "community."*
 - (ii) A minimum of 51 percent of the geographic area or population of the area meets the criteria of subparagraphs (A), (B), and (C) of paragraph (1), and the remainder of the area has substantially similar economic distress.*
- (3) A petition for designation of a high density unemployment area received by the agency after April 1, 1985, shall be reviewed by the agency pursuant to the criteria specified in paragraph (2).*
- (e) "Nondistressed area" means any block group which does not meet the definition of a high density unemployment area.*
 - (f) "One-stop service" means an efficient and expeditious method for providing services to qualified businesses.*
 - (g) "Agency" means the Trade and Commerce Agency.*
 - (h) "Qualified business" means any person, corporation, or other entity certified during the taxable or income year by the agency as meeting paragraphs (1) and (2).*
- (1) During the period of designation, the entity is engaged in the active conduct of a trade or business within the program area.*
 - (2) Meets any of the following requirements:*
 - (A) Has an average of at least 50 percent of its employees who are residents of a high density unemployment area.*
 - (B) Has an average of at least 30 percent of its employees who are residents of a high density*

unemployment area, and has set up a community service program or a substantial equivalent as defined by regulations, or programs approved by the local government entity and the community advisory council in which the program area is located, or both.

- (C) Is a business at least 30 percent owned and operated by a resident or residents of a high density unemployment area. For purposes of this subparagraph, "owned and operated" means that the resident or residents of a high density unemployment area who are owners of the business are responsible for at least 30 percent of the work performed by the business and share in at least 30 percent of the ownership, control, management responsibility, risks, and profits of the business.*

For purposes of this subdivision, "a high density unemployment area" means the high density unemployment area contained in the applicant's final application to the agency if the population of that high density unemployment area is in excess of 150,000.

A business entity shall be certified prior to obtaining any benefits of a qualified business, and shall be recertified no less than every three years, as determined by the agency. The agency shall periodically audit qualified businesses for compliance with this section, and decertify any business found not in compliance.

Priority shall be given to auditing qualified businesses within 18 months of the original certification of a business. A business may appeal to the secretary of the agency a decision to deny certification or recertification or a decision to

decertify, within 30 days of the decision.

Financial institutions shall not be qualified businesses.

- (3) A person, corporation, or other entity shall not be a qualified business if the business uses a residential structure in a high density unemployment area for a nonresidential use, unless the structure has been unoccupied for at least one year prior to designation of the program area.
- (i) "Program area" means one targeted economic development area and, where applicable, one neighborhood economic development area in the Employment and Economic Incentive Program. The term applies both to areas contained in an application for designation, and an area awarded designation. In an application containing a high density unemployment area with a population in excess of 75,000, "program area" means the targeted economic development area, the high density unemployment area, and, where applicable, the neighborhood economic development area. The benefits of the Employment and Economic Incentive Program shall only accrue to program areas after designation.
- (j) "Agent" means the person or entity designated by an applicant to facilitate the operations of the Employment and Economic Incentive Program as described in subdivisions (a) and (b) of Section 7087.
- (k) "Applicant" means a city, county, or city and county applying for designation under the Employment and Economic Incentive Act.
- (l) "Resident" means, unless otherwise defined, a person whose principal place of residence is within a high density unemployment area and who has lived in that area for six months prior to employment by the qualified business.
- (m) "Infrastructure" means the physical systems and services which support development and people, including, but not limited to, streets and highways, transit services, airports, and water and sewer systems.
- (n) "Community services" means any type of emergency assistance, counseling and advice, medical care, instructional, or social services, or recreational programs and facilities furnished to individuals or groups in high density unemployment areas or program areas.
- (o) "Neighborhood economic development area" means an area which meets all of the following criteria:
- (1) It shall be located entirely within or contiguous to the high density unemployment area contained in the application for designation.
 - (2) It shall be zoned primarily commercial.
 - (3) Its boundary shall be continuous.
 - (4) It shall be of sufficient size to sustain a diverse mix of commercial businesses and its size and location shall be appropriate to reducing the economic distress within the high density unemployment area.
 - (5) At least a part of its area shall be within the territorial jurisdiction of the applicant. If an area for which designation is sought encompasses the territorial jurisdiction of two or more local governmental entities, all of those entities shall be a party to the application for designation, except that any one or more of those entities by resolution or ordinance may specify that it shall not participate in the application as an applicant, but shall agree to complete all actions stated within the application which apply to its jurisdiction, if the area is designated.
- The area may have, but is not required to have, a history of gang-related activity whether or not crimes of violence have been committed.
- No residential structure may be used for nonresidential use unless the structure has been unoccupied for at least one year prior to designation as a program area, or unless comparable

replacement housing is provided for all persons displaced in accordance with Section 33413 of the Health and Safety Code. No person shall be displaced under this section unless relocation assistance is provided pursuant to Section 33415 of the Health and Safety Code.

An agricultural area shall not be designated as a neighborhood economic development area.

(p) *"Targeted economic development area" means an area which meets all of the following criteria:*

- (1) *Its boundary shall be continuous.*
- (2) *It shall be zoned primarily industrial or other mixed business uses.*
- (3) *It shall be of sufficient size to sustain a diverse mix of businesses and its size and location shall be appropriate to reducing the economic distress within the high density unemployment area.*
- (4) *At least a part of its area shall be within the territorial jurisdiction of the applicant. If an area for which designation is sought encompasses the territorial jurisdiction of two or more local governmental entities, all of those entities shall be a party to the application for designation, except that any one or more of those entities by resolution or ordinance may specify that it shall not participate in the application as an applicant, but shall agree to complete all actions stated within the application which apply to its jurisdiction, if the area is designated.*

The area may have, but is not required to have, a history of gang-related activity, whether or not crimes of violence have been committed.

The area may be, but is not required to be, within a high density unemployment area. However, if the area is outside a high density unemployment area, it shall be within

reasonable commuting distance of the high density unemployment area which is contained in the application for designation. If the area is outside a high density unemployment area, the applicant jurisdiction in which the area is located, in making its application, shall secure the endorsement of its application from at least one city or county which has jurisdiction within the high density unemployment area and is in close geographic proximity to the high density unemployment area.

The area may include vacant or sparsely developed parcels of land or abandoned facilities.

No residential structure may be used for nonresidential use unless the structure has been unoccupied for at least one year prior to designation as a program area, or unless comparable replacement housing is provided for all persons displaced in accordance with Section 33413 of the Health and Safety Code. No person shall be displaced under this section unless relocation assistance is provided pursuant to Section 33415 of the Health and Safety Code.

An agricultural area shall not be designated as a targeted economic development area.

(q) *"Application area" means the program area and high density unemployment area contained in an application for designation.*

§ 14911. Mailing lists; annual correction

Whenever any state agency maintains a mailing list of public officials or other persons to whom publications or other printed matter is sent without charge, the state agency shall correct its mailing list and verify its accuracy at least once each year. This shall be done by addressing an appropriate post card or letter to each person on the mailing list. The name of any person who does not respond to such letter or post card, or who indicates that he does not desire to receive such publications or printed matter, shall be removed from the mailing lists. The responses of those desiring to be on the

mailing list shall be retained by these agencies for one year.

§ 65854. Public hearing upon ordinance or amendment; notice.

The planning commission shall hold a public hearing on the proposed zoning ordinance or amendment to a zoning ordinance. Notice of the hearing shall be given pursuant to Section 65090 and, if the proposed ordinance or amendment to a zoning ordinance affects the permitted uses of real property, notice shall also be given pursuant to Section 65091.

§ 65856. Public hearing; exceptions

- (a) *Upon receipt of the recommendation of the planning commission, the legislative body shall hold a public hearing. However, if the matter under consideration is an amendment to a zoning ordinance to change property from one zone to another, and the planning commission has recommended against the adoption of such amendment, the legislative body shall not be required to take any further action on the amendment unless otherwise provided by ordinance or unless an interested party requests a hearing by filing a written request with the clerk of the legislative body within five days after the planning commission files its recommendations with the legislative body.*
- (b) *Notice of the hearing shall be given pursuant to Section 65090.*

§ 65858. Interim zoning; urgency measures

- (a) *Without following the procedures otherwise required prior to the adoption of a zoning ordinance, the legislative body, to protect the public safety, health and welfare, may adopt as an urgency measure an interim ordinance prohibiting any uses which may be in conflict with a contemplated general plan, specific plan, or zoning proposal which the legislative body, planning commission or the planning department is considering or studying or intends to study within a reasonable time. That urgency measure shall require a four-fifths vote of the legislative body for adoption. The interim ordinance shall be of no further force and effect 45 days from its date of adoption. After notice pursuant to*

Section 65090 and public hearing, the legislative body may extend the interim ordinance for 10 months and 15 days and subsequently extend the interim ordinance for one year. Any extension shall also require a four-fifths vote for adoption. Not more than two extensions may be adopted.

- (b) *Alternatively, an interim ordinance may be adopted by a four-fifths vote following notice pursuant to Section 65090 and public hearing, in which case it shall be of no further force and effect 45 days from its date of adoption. After notice pursuant to Section 65090 and public hearing, the legislative body may by a four-fifths vote extend the interim ordinance for 22 months and 15 days.*
- (c) *The legislative body shall not adopt or extend any interim ordinance pursuant to this section unless the ordinance contains a finding that there is a current and immediate threat to the public health, safety, or welfare, and that the approval of additional subdivisions, use permits, variances, building permits, or any other applicable entitlement for use which is required in order to comply with a zoning ordinance would result in that threat to public health, safety, or welfare.*
- (d) *Ten days prior to the expiration of an interim ordinance or any extension, the legislative body shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of the ordinance.*
- (e) *When an interim ordinance has been adopted, every subsequent ordinance adopted pursuant to this section, covering the whole or part of the same property, shall automatically terminate and be of no further force or effect upon the termination of the first interim ordinance or any extension of the ordinance as provided in this section.*

§ 66905.5. Region

As used in this title:

"Region" includes that part of Lake Tahoe within the jurisdiction of the State of California, the adjacent parts of the Counties of El Dorado and Placer lying within the Tahoe Basin in the State of California, and that additional and adjacent part of

the County of Placer outside of the Tahoe Basin in the State of California which lies southward and eastward of a line starting at the intersection of the basin crestline and the north boundary of Section 1, thence west to the northwest corner of Section 3, thence south to the intersection of the basin crestline and the west boundary of Section 10; all sections referring to Township 15 North, Range 16 East, MDB & M. The region defined and described herein shall be as precisely delineated on official maps of the agency.

16.12.04.00 Health and Safety Code

§ 50093. Persons and families of low, moderate, and median income; definitions; filing and publication of standards and criteria

"Persons and families of low or moderate income" means persons and families whose income does not exceed 120 percent of area median income, adjusted for family size by the department in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. However, the agency and the department jointly, or either acting with the concurrence of the Secretary of the Business and Transportation Agency, may permit the agency to use higher income limitations in designated geographic areas of the state, upon a determination that 120 percent of the median income in the particular geographic area is too low to qualify substantial number of persons and families of low or moderate income who can afford rental or home purchase of housing financed pursuant to Part 3 (commencing with Section 50900) without subsidy.

"Persons and families of low or moderate income" includes very low income households, as defined in Section 50105 and lower income households as defined in Section 50079.5, and includes persons and families of low income, persons and families of moderate income, and middle-income families. As used in this division:

(a) *"Persons and families of low income" or "persons of low income" means persons or families who are eligible for financial assistance specifically provided by a governmental agency for the benefit of occupants of housing financed pursuant to this division.*

(b) *"Persons and families of moderate income" or "middle-income families" means persons and families of low or moderate income whose income exceeds the income limit for lower income households.*

(c) *"Persons and families of median income" means persons and families whose income does not exceed the area median income, as adjusted by the department for family size in accordance with adjustment factors adopted and amended from time to time by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937.*

As used in this section, "area median income" means the median family income of a geographic area of the state, as annually estimated by the United States Department of Housing and Urban Development pursuant to Section 8 of the United States Housing Act of 1937. In the event these federal determinations of area median income are discontinued, the department shall establish and publish as regulations income limits for persons and families of median income for all geographic areas of the state at 100 percent of area median income, and for persons and families of low or moderate income for all geographic areas of the state at 120 percent of area median income. These income limits shall be adjusted for family size and shall be revised annually.

For purposes of this section, the department shall file, with the Office of Administrative Law, any changes in area median income and income limits determined by the United States Department of Housing and Urban Development, together with any consequent changes in other derivative income limits determined by the department pursuant to this section. These filings shall not be subject to Article 5 (commencing with Section 11346) or Article 6 (commencing with Section 11349) of Chapter 3.5 of Part 1 of Division 3 of Title 2 of the Government Code, but shall be effective upon filing with the Office of Administrative Law and shall be published as soon as possible in the California Regulatory Code Supplement and the California Code of Regulations.

The department shall establish and publish a general definition of income, including inclusions, exclusions, and allowances, for qualifying persons under the income limits of this section and Sections 50079.5 and 50105, to be used where no other federal or state definitions of income apply. This definition need not be established by regulation.

Nothing in this division shall prevent the agency or the department from adopting separate family size adjustment factors or programmatic definitions of income to qualify households, persons, and families for programs of the agency or department, as the case may be.

16.12.05.00 Public Resources Code

§ 30103. Coastal zone; map; purpose

- (a) *"Coastal zone" means that land and water area of the State of California from the Oregon border to the border of the Republic of Mexico, specified on the maps identified and set forth in Section 17 of that chapter of the Statutes of the 1975-76 Regular Session enacting this division, extending seaward to the state's outer limit of jurisdiction, including all offshore islands, and extending inland generally 1,000 yards from the mean high tide line of the sea. In significant coastal estuarine, habitat, and recreational areas it extends inland to the first major ridgeline paralleling the sea or five miles from the mean high tide line of the sea, whichever is less, and in developed urban areas the zone generally extends inland less than 1,000 yards. The coastal zone does not include the area of jurisdiction of the San Francisco Bay Conservation and Development Commission, established pursuant to title 7.2 (commencing with Section 66600) of the Government Code, nor any area contiguous thereto, including any river, stream, tributary, creek, or flood control or drainage channel flowing into such area.*

- (b) *The commission shall, within 60 days after its first meeting, prepare and adopt a detailed map, on a scale of one inch equals 24,000 inches for the coastal zone and shall file a copy of the map with the county clerk of each coastal county. The purpose of this provision is to provide greater detail than is provided by the maps identified in Section 17 of that chapter of the Statutes of the 1975-76 Regular Session enacting this division. The commission may adjust the inland boundary of the coastal zone the minimum landward distance necessary up to a maximum of 100 yards except as otherwise provided in this subdivision, or the minimum distance seaward necessary up to a maximum of 200 yards, to avoid bisecting any single lot or parcel or to conform it to readily identifiable natural or manmade features. Where a landward adjustment is requested by the local government and agreed to by the property owner, the maximum distance shall be 200 yards.*

16.12.06.00 Streets and Highways Code

§ 30410. Disposition of property no longer necessary for use.

Whenever any property acquired for any of the purposes of this chapter, whether by agreement, grant, or eminent domain, either in fee or in any lesser estate or interest, is no longer necessary for use in connection with any improvement authorized to be constructed pursuant to this chapter, or whenever a lesser interest than is owned therein is sufficient for the construction, maintenance, and operation of any improvement, or whenever it is for any other reason in the public interest to do so, the property, any part thereof, or any interest therein may be leased, sold, exchanged, or otherwise disposed of or dealt with by the director in the manner, upon such terms, and subject to such reservations as are first approved by the commission.

NOTES:

CHAPTER 16

Excess Land Table of Contents

FORMS

<u>Form No.</u>	<u>Title</u>
RW 16-1	Excess Land Parcel Acquisition/Disposal Summary
RW 16-2	Analysis of Cost With Adjustments to Inventory Value
RW 16-3	Application to Hold Excess Land
RW 16-4	Reserved for Notice of Surplus Real Estate Sale
RW 16-5	Purchase and Sale Agreement – Public Sale
RW 16-6	State Financing Addendum
RW 16-7	Rescinded Route Parcel Inventory
RW 16-9	Agreement for the Purchase of Real Property (Sale to Present Occupants) [SB 86]
RW 16-10	Income Certification [SB 86]
RW 16-11	Affordable Sales Price Calculations-Alternative A (Lower Income Households) [SB 86]
RW 16-12	Affordable Sales Price Calculations-Alternative B [SB 86]
RW 16-13	Right to Purchase Agreement Between Caltrans and Buyer [SB 86]
RW 16-14	Request for Proposal Department of Transportation Disposal of ___ Properties [SB 86]
RW 16-15	Agreement for the Purchase of Real Property (Sale to Housing Entity) [SB 86]
RW 16-16	Note and Agreement Secured by a Deed of Trust [SB 86]
RW 16-17	Deed of Trust [SB 86]
RW 16-18	Assumption Agreement [SB 86]
RW 16-19	Subordination Agreement - Form A [SB 86]
RW 16-20	Request for Notices of Default and Sale [SB 86]
RW 16-21	Owner-Occupant Certification [SB 86]
RW 16-22	Notice of Affordable Housing Resale Program [SB 86]
RW 16-23	Annual Certification of Ownership Conditions [SB 86]
RW 16-24	Notice of Intent [SB 86]
RW 16-25	Property Information Form [SB 86]
RW 16-26	Notice of Acceptance [SB 86]
RW 16-27	Notice of Abandonment of Right to Purchase [SB 86]
RW 16-28	Excess Land Inventory Memorandum
RW 16-29	Excess Land Fiscal Transmittal

DISPOSAL UNIT (Director's Deed)				
<input type="checkbox"/>	PARCEL ACQUISITION (COMPLETE I, II, III)			
<input type="checkbox"/>	ONE PARCEL DU (COMPLETE IV, V, & VI-A)			
<input type="checkbox"/>	DU WITH _____ PCLS (IV, V ONLY & VI-B)			

Dist	Co	Rte	P.M.	Parcel No.
Project Limit			Map No.	

I. EXCESS LAND PARCEL ACQUISITION DATA

Grantor			AR#	Schedule Number (New Parcel)
Deed Recorded	Post Acquisition Date	Interest Acquired	Parcel Type: <input type="checkbox"/> INVENTORY <input type="checkbox"/> NON-INV MEASURE CODE:	
EXCESS CREATED BY:		<input type="checkbox"/> Decert of R/Q—FHWA approved date _____	<input type="checkbox"/> Parcel Split	
<input type="checkbox"/> New Acquisition	<input type="checkbox"/> Decert of Operating Property from _____	<input type="checkbox"/> Rescinded Route _____	<input type="checkbox"/> Option Cancelled	
<input type="checkbox"/> Design Change			<input type="checkbox"/> Foreclosed Parcel	

II. PRORATA COST OF EXCESS PARCEL

Land	Improvement	Other	Total
\$	\$	\$	\$

III. EXCESS LAND INVENTORY VALUE - VALUE AT ACQUISITION (VTA) (From Excess Property Inventory Valuation, RW 7-13)

Area	Unit-Value	Land Value	Improvement Value	Total
Measure	\$	\$	\$	\$

IV. DISPOSAL DATA

(For Multiple Parcel Disposal Unit - Leave I, II, III, Above Blank - Attach VI-B)				
Clearance Requested	Clearance Obtained	Appraisal Requested	Appraisal Approved	Interest Value
Excess Land Valuation: <input type="checkbox"/> Market Value Appraisal <input type="checkbox"/> Public Sale Estimate		Land Value \$	Improvement Value \$	Total \$
<input type="checkbox"/> Does Not Qualify for Use By Other State Agencies <input type="checkbox"/> Qualifies-General Services Notified-No Reply or Waiver Received <input type="checkbox"/> Government Code 54220, et seq. Complied With-No Replies			Access (Will- Will Not) be Restricted Along Mineral Rights (Will-Will Not) be reserved	
Description of Property (Improvement; Zoning, etc.)				
Deed approval delegated to district <input type="checkbox"/> YES <input type="checkbox"/> NO If yes, deed executed on: _____				

V. SALES DATA

Convey To:			Sales Price \$		
Bill No.	Interest Sold	Date of Sale	DD To HQ	CTC Approval	DD Recorded

(Reason for Sale Below Appraised Value) Approved by HQ _____

PREPARED BY: _____
 REVIEWED BY: _____
 DATE: _____

I have personally reviewed the Appraisal Report or Excess Parcel Disposal Value Estimate for the above excess property and authorize the sale of said property:

To be submitted to the CTC for approval.
 Under CTC delegation

 District Division Chief, Right of Way DATE: _____

EXCESS LAND PARCEL ACQUISITION/DISPOSAL SUMMARY (Cont.)

RW 16-1 (REV 6/2012)

V. SALES DATA (Cont.)

BY	<input type="checkbox"/> PUBLIC	<input type="checkbox"/> PRIVATE (Adjoining Owners)	Minimum Bid \$	No. of Active Bidders
	<input type="checkbox"/> DIRECT	<input type="checkbox"/> Private Party <input type="checkbox"/> Government Agency	<input type="checkbox"/> Finding "A" <input type="checkbox"/> Finding "B" (Meets Criteria of CTC Resolution G-2)	
	<input type="checkbox"/> EXCESS INCAPABLE OF INDEPENDENT DEVELOPMENT BECAUSE: _____			
	<input type="checkbox"/> Excess will increase value of adjoining _____ zoned property in the amount of \$ _____ utilized _____.			
	<input type="checkbox"/> Highest price obtainable of \$ _____ has been received.			
	<input type="checkbox"/> Waivers obtained from _____ adjoining owners.		<input type="checkbox"/> Grantee is only adjoining owner.	
OTHER DISPOSAL				
<input type="checkbox"/> INCORPORATED - R/W	<input type="checkbox"/> EXCHANGE	<input type="checkbox"/> TRANSFER OF CONTROL AND POSSESSION		
<input type="checkbox"/> INCORPORATED - OPERATING PROPERTY	<input type="checkbox"/> UTILITY AGREEMENT			
	<input type="checkbox"/> CO-OP AGREEMENT	<input type="checkbox"/> OTHER (Explain In "Remarks")		
FINANCING				
<input type="checkbox"/> CASH	<input type="checkbox"/> INFORMAL TIME PAYMENT	<input type="checkbox"/> CREDIT FOR _____ YEARS	<input type="checkbox"/> NO MONETARY CONSIDERATION	

Statement for Utilities Agreements

<input type="checkbox"/> No monetary consideration. Conveyance of easement is 100% State obligation pursuant to utilities agreement.
<input type="checkbox"/> Amount received is company's share of _____ % of the appraised value of the easement pursuant to utilities agreement.
<input type="checkbox"/> Amount received represents appraised value of easement.

Summary for Exchanges Only

Acquired Parcel No: _____	FMV of Parcel Given in Exchange: \$ _____
R/W Contract Date: _____	Add "Cash To Grantor" (+): \$ _____
Project ID/Phase: _____	Subtract "Cash to State" (-): \$ _____
	Total Cost of Parcel Acquired: \$ _____ (Include interest)

R/W: Attach R/W Contract, Memo of Settlement and Federal Participation Memorandum. Accounting: Use Exchange Worksheet to determine required entries.

REMARKS

VI-A FEDERAL PARTICIPATION STATUS (Single Parcel Disposal Unit Only - For Multiple Parcels attach VI-B)

FEDERAL AID PROJECT NUMBER						
(1) Excess Land Parcel Number	(2) Project ID/Phase	(3) Federal Aid Expires	(4) Federal Partic. (Y,N)	(5) VTA - Value at time of Acquisition	(6) Acquisition Cost of Excess (Pro-rata Cost)	(7) Sales Price of Excess/ FMV, if exchanged
				\$	\$	\$

Project ID & Fed Aid No. Reviewed by: _____

Entry into Advantage
A/R Revenue

R/W Planning and Management

Date

Signature

Date

EXCESS LAND PARCEL ACQUISITION/DISPOSAL SUMMARY (Cont.)

RW 16-1 (REV 6/2012)

Page 3 of _____

DISPOSAL UNIT (Director's Deed)							
VI-B FEDERAL PARTICIPATION STATUS (For _____ Parcels)							
Federal Aid Project Number _____				Total Sales (7) ÷ By Total Costs (6) = _____			
(1) Excess Land Parcel Number	(2) Project ID/Phase	(3) Fed Aid Expires	(4) Fed Partic? (Y, N).	(5) VTA - Value at Time of Acquisition	(6) Acquisition Cost of Excess (Pro-rata Cost)	(7) Sales Price of Excess/ FMV if exchanged	
1.				\$	\$	\$	
2.				\$	\$	\$	
3.				\$	\$	\$	
4.				\$	\$	\$	
5.				\$	\$	\$	
6.				\$	\$	\$	
7.				\$	\$	\$	
8.				\$	\$	\$	
9.				\$	\$	\$	
10.				\$	\$	\$	
11.				\$	\$	\$	
12.				\$	\$	\$	
13.				\$	\$	\$	
14.				\$	\$	\$	
15.				\$	\$	\$	
TOTAL - THIS PAGE				\$	\$	\$	
TOTAL - ALL PAGES				\$	\$	\$	

**INSTRUCTIONS FOR COMPLETING THE EXCESS LAND PARCEL
ACQUISITION/DISPOSITION SUMMARY**

PURPOSE:

To summarize the entire history of each excess parcel, inventory or noninventory, in the Excess Land Management System (ELMS) from the time of acquisition or "post acquisition" creation until sold or otherwise disposed. This form is used to summarize:

1. **Acquisition data for each excess parcel** in ELMS and
2. **Disposal data at the time of sale/disposal for either**
 - (a) **a single parcel disposal unit (DU)** on the same form or,
 - (b) **a multiple parcel disposal unit** using a clean RW 16-1 and attaching Part VI-B to give parcel detail for the DU.

ACQUISITION DATA ON RW 16-1

A. NEW ACQUISITION OF AN EXCESS PARCEL

Preparation: Acquisition staff at parcel (MOS) settlement.

1. Complete the top of the form. Place an "X" in the box by "Parcel Acquisition" and created by "New Acquisition."
2. Complete Parts I, II and III only. In Part I, leave the "Post Acquisition Date" and the "Parcel Type" spaces blank. In Part III, VTA source is the "Federal Participation Memo."
3. **Forward the RW 16-1 to the Excess Land Manager** who completes Part 1 - "Parcel Type" and "Measure Code" if applicable.

B. "POST-ACQUISITION" CREATION OF EXCESS PARCELS

Preparation: Excess Land staff at the time excess parcel created.

1. Complete the top of the form. Place an "X" by "Parcel Acquisition" and by the appropriate choice in "Excess Created By" (except "New Acquisition" - see "A1" above).
2. Complete Parts I (except "AR" & "Schedule No."), II and III.

C. VERIFY EXCESS PARCEL DATA IN ELM SYSTEM AND IRWS

Responsibility: Excess Land when RW 16-1 prepared or received.

DISPOSAL DATA ON RW 16-1

Preparation: Excess Land staff at the time of sale/disposal.

A. SINGLE PARCEL DISPOSAL UNIT (DU)

1. **Enter an "X" by "One Parcel DU"** on top of the same RW 16-1 which has Parts I, II & III already completed.
2. Complete Parts IV and V. In Part IV, deed approval is delegated to the district according to CTC Resolution G-98-22. In Part V, enter the Accounting "Bill Number" as reference.
3. **Complete Part VI-A.**
 - (a) **Enter Project ID and Federal Aid number** under which property acquired for right of way, (Enter "N/A" if no Federal Aid number involved.)
 - (b) **Complete Columns (3) through (7).**

**INSTRUCTIONS FOR COMPLETING THE
EXCESS LAND PARCEL ACQUISITION/DISPOSITION SUMMARY**

B. MULTI-PARCEL DISPOSAL UNIT (DU)

1. **Prepare a new 16-1 form.** On top of form, enter "X" only by "DU With ____ Parcels." Leave the parcel number blank; parcel numbers are entered on Part VI-B (below).
2. **Leave Parts I, II, and III blank.**
3. **Complete Parts IV and V.** In Part IV, the deed approval is delegated to the district according to CTC Resolution G-98-22. In Part V, enter the Accounting "Bill Number" as reference.

C. ATTACH PART VI-B FOR MULTI-PARCEL DU (In lieu of Part VI-A)

1. **Enter Disposal Unit number and number of parcels;**
2. **Enter the Federal Aid Project Number** under which property acquired for right of way, (Enter "N/A" if no Federal number). For more than one Federal Aid number, use separate lines or pages to group parcels under each number "including "N/A".
3. **List each parcel number in the disposal unit** and complete columns 2 through 7. Allocate "sales price" (column 7) to each parcel by multiplying each "pro-rata cost" (column 6) by this factor: "total sales" divided by "total pro-rata cost" for the DU. Verify parcel sales detail equals DU total. Verify compatibility of federal participation information in Column (4).

VERIFY DISPOSAL DATA IN ELM SYSTEM (at sale and at close of escrow)

- D.** The "CTC Approval" date field and the "Recorded Disp." date field on the Disposal Screen must be completed before the TC 900 to remove the parcel from inventory can be made.

APPROVAL OF THE RW 16-1

Use signature blocks in accordance with region/district delegations.

"FEDERAL PARTICIPATION STATUS" (Part VI-A or VI-B of the 16-1)

- A. After above approval, Excess Land "package" submitted for either CTC or delegated approval. 16-1 copy also sent to Planning & Management which validates Project ID and Federal Aid number.
 - B. **After close of escrow,** 16-1 sent to ASC which enters transaction into Advantage.
-

ANALYSIS OF COST WITH ADJUSTMENTS TO INVENTORY VALUE

RW 16-2 (9/94)

PLANNING & MANAGEMENT TO COMPLETE THE FOLLOWING:

1. STATE'S CAPITAL COSTS (from Memorandum of Settlement)

a. Right of way - Fee	_____	
b. Excess Land	_____	
c. Underlying Fee, Easements, and/or Permit Areas	_____	
d. Prepaid Bond Assessments	_____	
TOTAL LAND COST		_____
e. Improvements	_____	
f. Equipment & Personalty	_____	
TOTAL IMPROVEMENTS & PERSONALTY		_____
g. Damages (+)	_____	
h. Benefits (-)	_____	
NET DAMAGES		_____
TOTAL CONSIDERATION TO GRANTOR & SUBORDINATE INTERESTS		_____

EXCESS LANDS TO COMPLETE 2 & 3:

2. ADJUSTMENTS TO COST (-)

a. Land Disposed of or Used for R/W	_____	
b. Underlying Fee, Easements, and/or Permit Areas (non-inventory item)	_____	
c. Refunds on Bond Assessments	_____	
TOTAL LAND ADJUSTMENT		_____
d. Improvements Removed or Destroyed	_____	
e. Equipment & Personalty (non-inventory item)	_____	
TOTAL IMPROVEMENTS & PERSONALTY ADJUSTMENT		_____
f. Net Damages (non-inventory item)	_____	
TOTAL ADJUSTMENTS		_____

3. COST OF EXCESS PARCEL* = VTA

a. Land	_____	
b. Improvements	_____	
TOTAL VTA		_____

* Any additional adjustments, if needed, should be made after parcel is inventoried (i.e., inclusion in assessment district by special legislation-add cost to land value: capital improvements-add to improvement value).

APPLICATION TO HOLD EXCESS LAND

RW 16-3 (Rev. 3/96)

DIRECTOR'S DEED NO.	DIST	CO	RTE	POST.
PARCEL NO.(S)	PRESENT CATEGORY		HOLD CATEGORY	
	RELEASE DATE		\$ APPRAISED VALUE	
	SIZE		\$ VTA	

SPECIFIC INFORMATION REQUIRED FOR EACH HOLD CATEGORY (SEE PAGE 2): NARRATIVE REMARKS BY THE REQUESTING DEPARTMENT JUSTIFYING THE HOLD: (USE ATTACHMENT IF MORE SPACE IS REQUIRED)

REQUESTING DEPT. SUPERVISOR	DESIGN EXP AUTH.	R/W CERT. DATE
STIP OR PSTIP NO.	APPROVAL DATE	ESTIMATED DATE ESTABLISH NEW R/W LINE
APPROVAL OR RECOMMENDED FOR APPROVAL	PSR APPROVAL DATE	

DISTRICT DIVISION CHIEF RIGHT OF WAY	DATE
---	------

DISTRICT PROPERTY RETENTION REVIEW COMMITTEE CHAIRPERSON	DATE
---	------

APPROVED

DISTRICT DIRECTOR APPLICATION TO HOLD EXCESS LAND (Cont.)	DATE
---	------

Category 2A Engineering Hold

VTA and market value.

Design E.A. and project limits (not required if held for operational purposes only). If held for another project, need date Phase 9 E.A. will be funded.

STIP identification and date or PSR approval date (not required if held for operational purposes only).

Narrative justification of the hold signed by the engineer making the request.

Parcel map (strip map if several parcels on one project) showing parcels in sufficient detail to locate them on the ground.

Approval of Chairperson of District Property Retention Review Committee.

Category 2B Public Agency Hold

Date of original hold.

Agency held for and why.

Date funds available.

Narrative support for reason (other than funds not available).

Category 2C Administrative Legal Hold

VTA and market value (if project involving several parcels is subject of hold, use aggregate VTA and market value).

Reason for hold.

Attach supporting correspondence from department requesting hold; e.g., RAP, Legal, etc.

Attach strip map showing the general location in sufficient detail that the excess can be located on the ground.

If held for "optimum return" or exchange include: Economic justification (except for hold requests for exchange), and, attach a map showing Disposal Unit (DU).

Category 2D Environmental Hold

VTA and market value.

Reason for the hold

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
PURCHASE AND SALE AGREEMENT - PUBLIC SALE
RW 16-5 (NEW 10/2016)

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is entered into as of _____ [date] by and between the State of California, Department of Transportation ("Caltrans") and _____ ("Purchaser").

Recitals

- A. Caltrans owns the real property commonly known as _____ (the "Property") and more particularly described as set forth in Exhibit A attached hereto.
- B. Purchaser is _____.
- C. The parties wish to provide terms and conditions for Purchaser's purchase of the Property from Caltrans.

NOW THEREFORE, the parties agree as follows:

Section 1. Purchase and Sale

Caltrans shall sell the Property to Purchaser and Purchaser shall purchase the Property from Caltrans on the terms and conditions stated in this Agreement.

Section 2. Purchase Price

The purchase price for the Property shall be _____ ("Purchase Price"). The Purchase Price shall be paid by Purchaser as set forth below:

- (a) Bidder Deposit: Receipt is hereby acknowledged of the Bidder Deposit of One Thousand Dollars (\$1,000) in the form of a (cashier's check / certified check / money order) made payable to the "California Department of Transportation," which without any interest, will be applied to the Purchase Price.
- (b) Purchase Deposit: Purchaser shall remit an additional 5% of the Purchase Price minus the Bidder Deposit (hereafter "Purchase Deposit") by (cashier's check / certified check / money order / electronic transfer), made payable to the "California Department of Transportation" within 5 calendar days but in no event shall be later than _____ (Date). (The Date should be 5 calendar days from the date this Agreement is signed.)
- (c) Liquidated Damages: THE PARTIES AGREE THAT THE TOTAL DEPOSIT AMOUNT (BOTH BIDDER DEPOSIT AND PURCHASE DEPOSIT) ARE A REASONABLE SUM FOR LIQUIDATED DAMAGES SHOULD THIS TRANSACTION FAIL TO CLOSE DUE TO A MATERIAL BREACH OF THIS AGREEMENT BY PURCHASER, IN THAT, WHEN CONSIDERING ALL THE CIRCUMSTANCES EXISTING ON THE DATE OF THIS AGREEMENT, IT WOULD BE IMPRACTICABLE OR EXTREMELY DIFFICULT TO FIX THE ACTUAL DAMAGES. BY PLACING THEIR INITIALS AT THE PLACES PROVIDED, EACH PARTY AGREES THAT THE FOREGOING CONSTITUTES LIQUIDATED DAMAGES AND NOT A FORFEITURE OR PENALTY.

Purchaser _____; Caltrans _____ [Initials of Purchaser and Caltrans]

- (d) Balance of Purchase Price. Purchaser shall remit sufficient funds to cover the balance of the Purchase Price \$ _____ (Purchase Price minus any amounts already paid) no later than five (5) calendar days from written notice the California Transportation Commission ("CTC") has approved the Director's Deed covering this sale.

Section 3. Closing and California Transportation Commission Approval

Purchaser understands and agrees that this sale is subject to the approval by the CTC. In the event the CTC fails to approve the sale, all monies paid by the Purchaser will be refunded without interest. Caltrans makes no representations or warranty concerning the CTC's approval of this sale.

Section 4. Close of Escrow

Caltrans will maintain an internal escrow at no charge to Purchaser. Purchaser may open an external escrow at Purchaser's expense but selection of the escrow company is subject to Caltrans' approval, which Caltrans may withhold for any reason within its discretion. Should Purchaser elect to open an escrow, Purchaser agrees to pay any and all fees associated with the escrow, and any and all recording fees, documentary transfer taxes or any other real estate transaction fees involved in the transaction.

Section 5. Closing Costs and Prorations

Purchaser shall pay all recording fees and the premium, if any, for the title insurance policy referred to herein. Prorations of real property taxes and assessments, rents, interest, and other expenses of the Property shall be prorated as of the date of recordation of the deed.

Section 6. Title

The Property is believed to be free of any liens, court judgments, loans, Deeds of Trust, and delinquent or unpaid property taxes. The sale of the Property is subject to all matters of public record and any easements, or reservations not of record or that which is reserved by Caltrans. Caltrans does not assume any liability for any possible encumbrances on the Property.

Purchaser understands and agrees that the right, title, and interest in the Property to be conveyed shall not exceed that vested in the State of California, Department of Transportation, and that Caltrans will furnish no policy of title insurance. If a policy of title insurance is desired, Purchaser may obtain one at Purchaser's sole expense. The property is being conveyed subject to any special assessments, restrictions, reservations or easements of record and subject to any reservations contained in the Director's Deed. Purchaser may examine any information Caltrans has relative to these matters. Purchaser has been given the opportunity to request and inspect all documents, if any, within Caltrans possession regarding the condition of the property.

Section 7. Condition of Property

Purchaser waives any further right to inspect the Property and conduct tests thereon. The Property is sold "AS IS" in its present physical condition as of the date of this Agreement. Purchaser acknowledges and agrees that they are acquiring the property in its present state and condition as of the date of this Agreement, with all defects, both patent and latent, and with all faults of the property whether known or unknown, presently existing or that may hereafter arise, including, without limitation, all existing conditions, if any, of lead paint, mold or other environmental health hazards. Purchaser acknowledges and agrees that Caltrans has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever, whether express, implied, oral or written, past, present or future, of, as to, concerning or with respect to the condition of the property.

Caltrans makes no representation regarding the potential for development, subdivision, zoning, or re-zoning of the Property. Purchaser shall be responsible for compliance with any and all local codes and ordinances for permitted land uses of any kind.

Section 8. No Assignment

Purchaser shall not assign all or any part of the Purchaser's interest in this Agreement without first having obtained the written consent of Caltrans. Any total or partial assignment shall not relieve Purchaser of Purchaser's obligation to this Agreement.

Section 9. Disclaimers

The Property and the fixtures and personal property contained therein, if any, are not new, and have been subject to normal wear and tear. Purchaser understands that Caltrans makes no express or implied warranty with respect to the condition of any of the Property, fixtures or personal property. Caltrans makes no oral or written representation regarding the age of improvements, the size and square footage of the parcel or building, or the location of property lines. Apparent boundary line indicators such as driveways, fences, hedges, walls, or other barriers may not represent the true boundary lines which may only be determined by a surveyor. If any of these issues are important to Purchaser's decision to purchase, then Purchaser should investigate the Property independently. Purchaser acknowledges that it has not relied upon any representations by Caltrans with respect to the condition of the Property, the status of permits, zoning, or code compliance. Purchaser is to satisfy itself concerning these issues.

Section 10. Changes During Transaction

During the pendency of this transaction, Caltrans agrees that no changes in the existing leases, if any leases exist, shall be made, nor new leases or rental agreements entered into, nor shall any substantial alterations or repairs be made or undertaken to the Property without the written consent of the Purchaser.

Section 11. Indemnification

Purchaser shall defend, indemnify, and hold Caltrans and Caltrans' elected and appointed officers, agents, and employees free and harmless from and against any and all liabilities, damages, claims, costs, and expenses (including and without limitation to attorney's fees, legal expenses and costs, and consultant's fees, and investigation and remediation costs) arising in whole or in part from the existence of Hazardous Substances or Hazardous Substance Conditions. The indemnity is intended to address that liability for which Caltrans may be responsible solely out of its mere ownership of said Property. This provision shall survive transfer of the title to said Property and any rescission of said transfer.

When used in this Agreement, "Hazardous Substance" shall mean any substance whose nature and/or quantity of existence, use, manufacture, disposal of effect, render it subject to federal, state, or local regulation, investigation, remediation or removal as potentially injurious to public health or welfare, including the Comprehensive Environmental Response Compensation and Liability Act or Resource Conservation and Recovery Act as now in effect.

When used in this Agreement, "Hazardous Substance Condition" shall mean the existence on or under Property of a hazardous substance that requires remediation and/or removal and/or to be otherwise mitigated pursuant to applicable law.

Section 12. Destruction of Improvements

If the improvements of the Property are destroyed, materially damaged, or found to be materially defective as a result of such damage prior to Close of Escrow or approval by the CTC, Purchaser may terminate the transaction by written notice delivered to Caltrans, and all Deposits shall be returned to Purchaser.

Section 13. Commissions

Each party represents and warrants to the other party that no broker or finder or other real estate agent is entitled to any commission, finder's fee or other compensation resulting from any action on its part. Purchaser and Caltrans each agree to indemnify the other and defend and hold harmless the other party from and against any loss, cost, or expense, including attorney's fees, incurred by such party, and against any claims, causes of action or the like brought by any broker, finder or similar agent for a commission or fee on account of this Agreement. This section does not prohibit a Purchaser from obtaining a broker at their own expense.

Section 14. Effective Headings

The subject headings of the paragraphs and subparagraphs of this Agreement are included for convenience only and shall not affect the construction or interpretation of any of its provisions.

Section 15. Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by all the parties.

Section 16. Counterparts

This Agreement may be executed simultaneously in one (1) or more counterparts, each of which shall be deemed an original, but all of which shall constitute one (1) and the same instrument.

Section 17. Binding on Successors and Assigns

This Agreement shall be binding on, and shall inure to the benefit of, the parties to it and their respective legal representatives, successors, and assigns.

Section 18. Attorney's Fees

If any legal action, arbitration or other proceeding is brought involving a dispute between the parties or arising out of the execution of this Agreement or sale of the Property, the prevailing party shall be entitled to recover its costs and reasonable attorney's fees incurred in such action or proceeding, in addition to any other relief to which such party may be entitled.

Section 19. Agreement to Perform Necessary Acts

Each party agrees to perform any further acts and execute and deliver any documents that may be reasonably necessary to carry out the provisions in this Agreement.

Section 20. No Third-Party Beneficiaries

This Agreement is for the sole benefit of the parties hereto. There are no third-party beneficiaries, intended or otherwise.

Section 21. Notices

All notices, requests, demands, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the person to whom notice is to be given or, on the second (2nd) day after mailing if mailed to the party to whom notice is to be given, by First Class Mail, registered or certified, return receipt requested, postage prepaid and properly addressed as follows:

To Caltrans at: _____

To Purchaser at: _____

Any party may change its address for purposes of this paragraph by giving the other party written notice of the new address to the other party contained herein.

Section 22. Governing Law

This Agreement has been negotiated and entered into in the State of California and shall be governed by, construed and enforced in accordance with the laws of the State of California and according to its fair meaning, and not in favor of or against any party.

Section 23. Severability

If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all the other provisions of this Agreement be construed to remain fully valid, enforceable and binding on the parties.

Section 24. Survival of Representations and Warranties

All covenants, representations, warranties, and other agreements under this Agreement shall survive the Close of Escrow.

Section 25. Time is of the Essence

Time is of the essence and performance of this Agreement in respect to all provisions of this Agreement that specify a time for performance, and failure to comply with this provision shall be a material breach of this Agreement.

Section 26. Saturdays, Sundays, and Holidays

If any date by which an election or a notice must be given falls on a Saturday, Sunday or holiday, then the date by which an election or notice must be given is extended to 5:00 p.m. on the next business day following such Saturday, Sunday or holiday.

Section 27. Waiver

No breach of any provision of this Agreement can be waived unless in writing. Waiver of any one breach of a provision hereof shall not be deemed to be a waiver of any other breach of the same or any other provision, including the time for performance of any such provision. The exercise by a party of any remedy provided in this Agreement or at law shall not prevent the exercise by that party of any other remedy provided in this Agreement or at law.

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
PURCHASE AND SALE AGREEMENT - PUBLIC SALE
RW 16-5 (NEW 10/2016)

Section 28. Vesting

Title shall be vested as follows:

- as Husband and Wife
- A Single Man/Woman
- A Married Man/Woman as his/her sole and separate property
- as Joint Tenants
- as Tenants in Common
- Other (specify) _____

Section 29. Additional Terms & Conditions

Additional Terms & Conditions are / are not attached.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CALTRANS:

Recommended for Approval by:
STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Signature: _____
Right of Way Agent

By: _____ Signature: _____
Chief Excess Land Branch, Right of Way Agent

APPROVED:

By: _____ Signature: _____
Deputy District Director, Right of Way

PURCHASER:

By: _____ Signature: _____
[Name of Purchaser, including capacity, if appropriate]

[Attach exhibits with Legal Description]

STATE FINANCING ADDENDUM

RW 16-6 (NEW 10/2016)

This is an addendum to the Purchase and Sale Agreement ("Agreement") dated _____ on property known as _____ ("Property") between the California Department of Transportation ("Caltrans") and _____ ("Purchaser").

Caltrans agrees to extend credit to Purchaser as follows:

DOWN PAYMENT. Purchaser shall pay to Caltrans a down payment in the amount of \$ _____, by [cashier's check / certified check / money order / electronic fund transfer] within five (5) days of execution of this addendum. Such payment must be made prior to recordation of the Director's Deed.

PRINCIPAL, INTEREST, PAYMENT, MATURITY TERMS. Principal amount \$ _____, interest at _____ % per annum payable at approximately \$ _____ per quarter, remaining principal balance due in _____ years.

CREDIT REPORT. Purchaser authorizes Caltrans to obtain, at Purchaser's expense, a copy of Purchaser's credit report. Purchaser shall provide any supporting documentation reasonably requested by Caltrans. Caltrans, after first giving Purchaser a Notice to Perform, may cancel this agreement in writing and authorize return of Purchaser's deposit if Purchaser fails to perform, or if Caltrans disapproves Purchaser's credit report within five (5) days after receipt of each item.

CREDIT DOCUMENTS. This extension of credit by Caltrans will be evidenced by a Note and Deed of Trust.

LATE CHARGE. If any payment is not made within 10 day after it is due, a late charge of either \$ _____ or _____ % of the installment due, may be charged to Purchaser.

BALLOON PAYMENT. The extension of credit will/will not (xxx out) provide for a balloon payment in the amount of \$ _____, plus any accrued interest, which is due on _____ (date).

PREPAYMENT. If all or part of this extension of credit is paid early, no prepayment penalty shall be imposed.

DUE ON SALE. If any interest in the Property is sold or otherwise transferred, Caltrans has the option to require immediate payment of the entire unpaid principal balance, plus any accrued interest.

REQUEST FOR COPY OF NOTICE OF DEFAULT. A request for a copy of Notice of Default as defined in California Civil Code section 2924(e) will be recorded.

HAZARD INSURANCE. Purchaser shall secure hazard insurance in a sufficient amount to cover the value of the Property. Purchaser shall include Caltrans as a named beneficiary on all policies of hazard insurance under this section.

RECORDING. The Note and Deed of Trust shall be recorded with the county recorder where Property is located.

SENIOR LOANS. Parties agree that there are no loans that are senior to Caltrans financing.

ADDED, DELETED, OR SUBSTITUTED PURCHASERS. The addition, deletion or substitution of any person or entity under this agreement or to title prior to close of escrow shall require Caltrans' written consent. Caltrans may grant or withhold consent in Caltrans' sole discretion. Any additional or substituted person or entity shall, if requested by Caltrans, submit to Caltrans the same documentation as required for the original named Purchaser. Caltrans may obtain a credit report, at Purchaser's expense, on any person or entity.

STATE FINANCING ADDENDUM

RW 16-6 (NEW 10/2016)

CALTRANS:

Recommended for Approval by:
STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION

By: _____ Signature: _____
Right of Way Agent

By: _____ Signature: _____
Chief Excess Land Branch, Right of Way Agent

APPROVED:

By: _____ Signature: _____
Deputy District Director, Right of Way

PURCHASER:

By: _____ Signature: _____
[Name of Purchaser, including capacity, if appropriate]

Right of Way Engineering to complete the following:

A. Dist. _____ Co. _____ Rte. _____ P.M. _____

E.A. _____

Parcel No. _____

Appraisal Report No. _____

Date of Acquisition _____

Grantor _____

Date of C.T.C. Authorization to
Dispose of right of way _____

B. State's acquisition made by:

Right of Way Contract and Grant Deed Final Order

Full Take Part Take

C. Deed clauses:

None

1.

2.

3.

D. Area _____ sq. ft., acres.

E. Type of access to property:

1. Fronts on public street

2. Easement access to public street

3. Landlocked

Property Management to complete the following:

G. Unimproved property: _____ Tenant

Unrented Rented Rental Rate _____ Account # _____

RESCINDED ROUTE PARCEL INVENTORY (Cont.)

RW 16-7 (9/94)

J. Federal Involvement: None FAAF Interstate

Project No. _____ Other (specify)

Amount \$ _____

K. Section 118.5

Property will be subject to taxes under Section 118.5

Property is not subject to taxes under Section 118.5

1. Parcel was not acquired by F.O.C.
 2. A portion of this parcel has been used for one of the purposes specified under Section 104 of the Streets and Highways Code.
 3. This parcel will not be offered at public sale.
-

AGREEMENT FOR THE PURCHASE OF REAL PROPERTY (SALE TO PRESENT OCCUPANTS)

RW 16-9 (9/94)

Dist.-Co.-Rte. _____

Director's Deed No.: _____

Buyer: _____

Date: _____

This Agreement is entered into between the State of California (Department of Transportation; hereinafter called "SELLER") and the undersigned purchaser (hereinafter called "BUYER") for the purchase of certain real property.

It Is Hereby Agreed As Follows:

1. SELLER agrees to sell to BUYER and BUYER agrees to purchase from SELLER upon the terms and for the consideration set forth in this Agreement, all that certain real property situated in the City of _____ County of _____, State of California and legally described as follows:

also known as: _____

(Street Address)

It is understood and agreed that the real property conveyed shall include all building fixtures, equipment and appliances which are part of the above-described real property.

2. *Consideration:*

BUYER will place into escrow a good faith deposit of: \$ _____

Estimated Proceeds of Loan to be obtained by BUYER: \$ _____

Estimated Affordable Sales Price: \$ _____

- (a) The Estimated Affordable Sales Price is based upon the formula set out on the attached *Affordable Sales Price Calculation* form. The Final Affordable Sales Price will be determined just prior to the close of escrow and BUYER agrees to pay the Final Affordable Sales Price for the property.
- (b) BUYER understands that the Final Affordable Sales Price and terms are based upon all of BUYER'S income, as reported on Income Certification, and that if all of BUYER'S income has not been accurately reported, SELLER, at its election, may rescind this Agreement and recover title to and possession of the real property or sue for damages. All costs, expenses and legal fees are to be payable by BUYER.
- (c) If no adjustments are required, the Estimated Affordable Sales Price will be the Final Affordable Sales Price.
- (d) Prior to the close of escrow, BUYER will deposit into escrow, or cause to be deposited into escrow, all funds and/or documents required from BUYER to enable escrow to close. SELLER agrees to deposit with the Escrow Agent a Director's Deed conveying the real property to BUYER, together with such other instruments as are necessary.

3. Title to the property shall be vested: _____

4. Conveyance by SELLER shall be all of its right, title and interest in the property to be sold, subject to all exceptions and reservations whether or not of record and a *Right to Purchase Agreement Between Caltrans and Buyer*, signed and recorded concurrent with the deed in this transaction. Agreement is, by reference herein, made a part of this Agreement, and has been read and is hereby approved by the undersigned.

5. BUYER will procure, at BUYER'S expense, new fire insurance coverage in an amount and type satisfactory to SELLER and which meets the provisions of the *Right to Purchase Agreement*, Proof of said coverage will be deposited with SELLER.

INCOME CERTIFICATION

RW 16-10 (9/94)

PERSONAL INFORMATION NOTICE										
Pursuant to the Federal Privacy Act (P.L. 93-579) and the Information Practices Act of 1977 (Civil Code Sections 1798, et seq.), notice is hereby given for the request of personal information by this form. The requested personal information is voluntary. The principal purpose of the voluntary information is to facilitate the processing of this form. The failure to provide all or any part of the requested information may delay processing of this form. No disclosure of personal information will be made unless permissible under Article 6, Section 1798.24 of the IPA of 1977. Each individual has the right upon request and proper identification, to inspect all personal information in any record maintained on the individual by an identifying particular. Direct any inquiries on information maintenance to your IPA Office.										
TO: STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION				DIST CO RTE KP(P.M.)		EA NO.				
				PROJECT		SAR NO.				
				PARCEL NO. OR RENTAL ACCT. NO.		RENTAL DATE				
1. FULL NAME OF APPLICANTS				2. HOME PHONE NO.		3. DATE OF INITIAL OCCUPANCY				
4. ADDRESS OF APPLICANT'S RESIDENCE				5. APPLICANT'S OCCUPATION		6. CO-APPLICANT'S OCCUPATION				
7. APPLICANT'S EMPLOYER AND ADDRESS _____ ZIP _____ PHONE NO. _____ APPLICANTS SOCIAL SECURITY NO. _____				8. CO-APPLICANT'S EMPLOYER AND ADDRESS _____ ZIP _____ PHONE NO. _____ CO-APPLICANTS SOCIAL SECURITY NO. _____						
9. HOUSEHOLD COMPOSITION AND INCOME										
NAME	RELATIONSHIP	GROSS WAGES OR SALARY	RETIREMENT		BENEFITS PAYMENT			TOTAL LAST 12 MONTHS (SUM OF ALL ENTRIES)	EXPECTED INCOME NEXT 12 MONTHS	CALTRANS REVIEW
			SOCIAL SECURITY	OTHER	DISABILITY	UNEMPLOYMENT	PUBLIC ASSISTANCE			
9. TOTAL								(A)	(B)	
NOTE: Exclude income but not names of minors (children under 21 years of age or full-time students that live at home).										
10. OTHER INCOME			TOTAL LAST 12 MONTHS	EXPECTED INCOME NEXT 12 MONTHS	11. ACTUAL INCOME ON ASSETS (LAST 12 MONTHS)					
(A) GROSS OVERTIME PAY, COMMISSIONS, FEES, TIPS AND BONUSSES					(1) INTEREST AND DIVIDENDS _____					
(B) NET INCOME FROM OPERATION OF A BUSINESS OR PROFESSION					(2) NET INCOME FROM RENTAL OF REAL OR PERSONAL PROPERTY _____					
(C) PERIODIC PAYMENTS FROM ANNUITIES, INSURANCE POLICIES, PENSION OR DEATH BENEFITS					(3) NET INCOME FROM OTHER CAPITAL INVESTMENTS _____					
(D) ALIMONY AND CHILD SUPPORT					TOTAL ACTUAL INCOME FROM ASSETS (A) _____					
(E) WORKERS' COMPENSATION					LIABILITIES					
(F) MILITARY PAY (INCLUDING REGULAR, RESERVE, SPECIAL PAY AND/OR ALLOWANCES)					MONTHLY PAYMENT UNPAID BAL.					
(G) VETERAN PAYMENTS OR BENEFITS					AUTOMOBILE _____					
(H) OTHER					DEBTS, OTHER REAL ESTATE..... _____					
(I) TOTAL 10 (A) THROUGH 10 (H)				(I)	LIFE INSURANCE LOANS _____					
12. TOTAL ANNUAL INCOME					NOTES PAYABLE _____					
(A) ENTER TOTAL FROM LINE 9(B) _____		(C) ENTER TOTAL FROM LINE 11(A) _____			CREDIT UNION _____					
(B) ENTER TOTAL FROM LINE 10(I) _____		(D) TOTAL ANNUAL INCOME _____			RETAIL ACCOUNTS _____					
13. TOTAL MONTHLY GROSS INCOME					NAME _____ ACCOUNT NO. _____					
LINE 12(D) + 12 = \$ _____					TOTAL \$ _____ \$ _____					
IF MORE SPACE IS NEEDED, ATTACH SCHEDULE)										
<i>I (We) certify, under the penalties of perjury, that our average monthly gross income, including salaries, wages, tips, commissions, rents, royalties, dividends, interest, profits, pensions and annuities, irrespective of expenses and voluntary or involuntary deductions, is correctly stated above. I (We) understand that the information may be used in connection with a surplus residential property disposal project. I (We) understand that inquiries may be made by Caltrans to verify the statements herein. I (We) do hereby give Caltrans permission to provide information as to the composition of our household and our total monthly gross income (Item 13 above) to prospective purchasers (housing-related entities) for use in projecting affordable rental income.</i>										
APPLICANT'S SIGNATURE AND DATE					CO-APPLICANT'S SIGNATURE AND DATE					
NAME OF CALTRANS INTERVIEWER AND DATE OF INTERVIEW					(SEE REVERSE SIDE)					

**PRESCRIBED NOTICE TO
ACCOMPANY REQUEST
FOR PERSONAL INFORMATION**

The applicant, whose signature appears on the reverse, understands this information is being collected by the California Department of Transportation.

The California Information Practices Act of 1977 requires that all persons be informed of the purposes and uses to be made of information solicited. The following is furnished to explain the reason why the information is requested and the general uses to which that information may be utilized.

AUTHORITY: The Department is authorized to request information under the authority of Government Code Section 54237 of the State of California.

PURPOSE: The information requested is considered relevant and necessary to determine entitlement to the benefit for which you are applying.

USES: The information will be used in your best interest in determining eligibility to the maximum benefits allowable by law. Information as to the composition of applicants' household and applicants' total monthly gross income may be provided to prospective purchasers (housing-related entities) for use in projecting affordable rental income.

EFFECTS OF NOT PROVIDING INFORMATION: Disclosure of the information is mandatory if the present occupants desire to purchase the single family residence in which they reside for an affordable price which is less than fair market value pursuant to Government Code Sections 54235, et seq. If you fail to respond, the Department will require that the purchase price be equal to fair market value. Failure to respond, therefore, may result in a delay in the processing of your application to purchase the single family residence in which you reside, receipt of less than the maximum benefit, or deferral or complete disallowance of benefits to which you may be entitled.

Disclosure of the information is voluntary for present occupants of surplus residential properties which may be sold to housing-related private and public entities pursuant to Government Code Sections 54235, et seq. No penalty will be imposed for failure to respond. However, your qualifications for benefits (continued occupancy after sale at an affordable rent) must then be made by the purchaser on the basis of the available evidence of record. This may result in a delay in the sale of the property in which you reside, receipt of less than the maximum benefit, or deferral or complete disallowance of benefits to which you may be entitled.

Failure to provide information in connection with the benefits currently being sought will have no detrimental effect on any other benefit to which you are entitled.

RIGHT OF REVIEW: Individuals have the right of access to records containing personal information on them at all times during regular office hours of the Department.

GROSS INCOME FOR THE PURPOSE OF CALCULATING AFFORDABLE PRICE

"Gross income" shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income. If the circumstances are such that it is not reasonably feasible to anticipate a level of income over a twelve-month period, a shorter period may be used subject to a redetermination at the end of such a period. "Income" shall consist of the following:

- A. Except as provided in subdivision (b), all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income of a family. Income shall include, but not be limited to:
- (1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;
 - (2) The net income from operation of a business or profession or from rental of real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);
 - (3) Interest and dividends;
 - (4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;
 - (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (but see subdivision (b) (3)).
 - (6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public assistance income to be included as income shall consist of:
 - (a) The amount of the allowance or grant exclusive of the amount specifically designated for shelter and utilities, plus
 - (b) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,
 - (7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
 - (8) All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse (but see subdivision (b)(5)).

For purposes of this section, net family assets means value of equity in real property, savings, stocks, bonds, and other forms of capital investment. The value of necessary items such as furniture and automobiles shall be excluded.

- B. The following items shall not be considered as income:
- (1) Casual, sporadic or irregular gifts;
 - (2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;
 - (3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses;
 - (4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes or which are available for subsistence are to be included in income;
 - (5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;
 - (6) Relocation payments made pursuant to federal, state, or local relocation law;
 - (7) Foster child care payments;
 - (8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;
 - (9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:
 - (a) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.
 - (b) National Older American Volunteer Programs (for persons aged 60 and over) which include Retired Senior Volunteer Programs, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executive (ACE).

**AFFORDABLE SALES PRICE CALCULATIONS-
ALTERNATIVE A (LOWER INCOME HOUSEHOLDS)**

RW 16-11 (9/94)

DD-_____-01-01

Monthly Gross Income:

A.	Buyer's Income	\$ _____
B.	Co-Buyer's Income (If usable)	\$ _____
C.	Other Usable Income	\$ _____
I. TOTAL MONTHLY GROSS INCOME		\$ _____
II. TOTAL ANNUAL INCOME (1X12)		\$ _____
III. Less ALLOWANCES..... (Total of A. B. and C. below)		\$ _____
A.	_____ Minors ⁽²⁾ X \$300.....	\$ _____
B.	Medical Expenses in Excess of \$ _____ (3% X II).....	\$ _____
C.	Unusual Expenses ⁽³⁾ \$ _____	\$ _____
IV. ANNUAL INCOME AFTER ALLOWANCES (II-III)		\$ _____
V. MONTHLY INCOME AFTER ALLOWANCES (IV ÷ 12)		\$ _____
VI. MONTHLY GROSS FAMILY CONTRIBUTION TO HOUSING EXPENSES ⁽⁴⁾		\$ _____
(Principal, Interest, Property Taxes, Homeowners Insurance, Mortgage Insurance, Maintenance & Utilities)		(_____ % of V)
VII. Less ALLOWANCE for MAINTENANCE and UTILITIES ⁽⁵⁾		\$ _____
VIII. AVAILABLE FOR OTHER HOUSING EXPENSES (VI-VII)		\$ _____
(See Page 2 for detailed calculations)		
A.	Affordable Sales Price	\$ _____
B.	Less Affordable Mortgage.....	\$ _____
C.	Down Payment ⁽⁶⁾	\$ _____
IX. MINIMUM MONTHLY GROSS FAMILY CONTRIBUTION TO HOUSING EXPENSES		\$ _____
		(15% of I)
X. MINIMUM AFFORDABLE SALES PRICE (CALTRANS ACQUISITION PRICE).....		\$ _____

SPECIAL COMMENTS:

I certify that the Buyer's certified statement as to income employment and liabilities has been verified in accordance with current California Housing Finance Agency procedures. I also certify that the Affordable Sales Price (VIII A above) has been calculated in accordance with the provisions of Government Code Section 54236(b).

ALTERNATIVE A (LOWER INCOME HOUSEHOLDS) (Cont.)

RW 16-11 (9/94)

DD- _____ -01-01

VIII. Affordable Sales Price Calculation - Alternative A

Monthly Mortgage Insurance (0.5% X Mortgage Amount ÷ 12), Plus
 Monthly Homeowner’s Insurance (0.3% X Mortgage Amount ÷ 12), Plus
 Monthly Property Taxes (1.25% X Sales Price ÷ 12), Plus
 Monthly Principal and Interest = Other Housing Expenses or \$ _____ (from VIII)
 NOTE: Mortgage = 0.95 sales price + \$500
 Sales Price = \$ _____ (from VIII) = \$ _____

Mortgage = 0.95 Sales Price + \$500 = 0.95 (\$ _____) + \$500 = \$ _____

TABLE OF FACTORS:

Current FHA Interest Rate	Factor 1	Factor 2
11%	\$5.09	0.0107185
11½%	\$5.28	0.0110795
12%	\$5.48	0.01145
12½%	\$5.67	0.011811
13%	\$5.86	0.0121815
13½%	\$6.06	0.0125615
14%	\$6.26	0.012932
14½%	\$6.46	0.013312
15%	\$6.65	0.0136825
15½%	\$6.86	0.014072
16%	\$7.06	0.014452
16½%	\$7.26	0.014832
17%	\$7.46	0.0152215
17½%	\$7.66	0.0156015
18%	\$7.87	0.015991

AFFORDABLE SALES PRICE CALCULATION - ALTERNATIVE A

FOOTNOTES:

- The present occupants (the buyers) have certified their income to Caltrans and to the lender in accordance with the current HUD Rules and Regulations. Copies of Income Certification have been obtained for Caltrans files. Income certifications have been verified by the lender in accordance with the current HUD Rules and Regulations. MONTHLY GROSS INCOME utilized by the lender in calculating the affordable sales price is, in some instances, an adjusted income figure. Adjustments are discussed in the *Special Comments* section for each property and are based upon the lender's experience in processing loans through HUD for approval.
- Minor is defined as a member of the family household (excluding foster children) other than the Family head or spouse, who is under 18 years of age or is a full-time student.

**AFFORDABLE SALES PRICE CALCULATIONS-
ALTERNATIVE A (LOWER INCOME HOUSEHOLDS) (Cont.)**

RW 16-11 (9/94)

DD- _____ -01-01

AFFORDABLE SALES PRICE CALCULATION - ALTERNATIVE A

3. Unusual Expenses are amounts paid by the Family for the care of Minors under 13 years of age or for the care of disabled or handicapped Family household members, but only where such care is necessary to enable a Family member to be gainfully employed, and the amount allowable as Unusual Expenses shall not exceed the amount of income from such employment.
 4. Monthly Gross Family Contributions to Housing Expenses:
 - (a) Families for whom contribution is based on 15 percent ratio. The monthly Gross Family Contribution shall be 15 percent of the Family's Monthly Income if the Family is:
 - (1) A Large Very Low-Income Family (a family having 6 or more Minors and whose family income does not exceed 50% of Area Median Income); or
 - (2) A Very Large Lower-Income Family (a family having 8 or more Minors and whose family income does not exceed the Lower Income limit); or
 - (3) A Family which has combined total Medical Expenses and Unusual Expenses in excess of 25% of its TOTAL ANNUAL INCOME.
 - (b) Other eligible families. In the case of other Eligible Families, the monthly Gross Family Contribution shall be 25 percent of the Family's Monthly Income After Allowances but in no event less than 15 percent of the Family's Monthly Gross Income.
 5. For purpose of calculating an *estimated* affordable sales price, the local HUD Mortgage Credit Office schedules for maintenance and utilities were utilized. The *final* affordable sales price allowance for maintenance and utilities will be based on amounts contained in the FHA appraisal.
 6. DOWN PAYMENT also calculated pursuant to current HUD Rules and Regulations. 3% of first \$25,000 of Sales Price *Plus* 5% of Sales Price in excess of \$25,000.
-

**AFFORDABLE SALES PRICE CALCULATIONS-
ALTERNATIVE B**

RW 16-12 (9/94)

DD-_____-01-01

Monthly Gross Income:⁽¹⁾

A. Buyer's Income \$ _____

B. Co-Buyer's Income (If usable) \$ _____

C. Other Usable Income \$ _____

I. TOTAL MONTHLY GROSS INCOME \$ _____

II. Less FEDERAL INCOME TAXES WITHHELD ⁽²⁾ \$ _____

III. Total Monthly NET EFFECTIVE INCOME (I-II) \$ _____

IV. MAXIMUM AFFORDABLE MONTHLY HOUSING EXPENSE⁽³⁾ \$ _____

(Principal, Interest, Property Taxes, (% of III)

Homeowners Insurance, Mortgage Insurance, Maintenance & Utilities)
Less ALLOWANCE for MAINTENANCE and UTILITIES⁽⁴⁾ \$ _____

V. AVAILABLE FOR OTHER HOUSING EXPENSES \$ _____

(See Page 2 for detailed calculations)

A. AFFORDABLE SALES PRICE \$ _____

B. Less AFFORDABLE MORTGAGE \$ _____

C. DOWN PAYMENT⁽⁵⁾ \$ _____

VI. OTHER RECURRING MONTHLY CHARGES (Total of A, B, and C below) \$ _____

A. State Income Taxes⁽⁶⁾ Withheld \$ _____

B. Social Security Taxes⁽⁷⁾ Withheld \$ _____

C. Other debts (12 months to run)⁽⁸⁾ \$ _____

VII. TOTAL FIXED MONTHLY PAYMENTS⁽⁹⁾ (IV & VI) \$ _____

(% of III)

SPECIAL COMMENTS:

I certify that the Buyer's certified statement as to income employment and liabilities has been verified by the Lender in accordance with current HUD procedures. I also certify that the Affordable Sales Price (V A. above) has been calculated in accordance with the provisions of Government Code Section 54236(b).

DEPARTMENT OF TRANSPORTATION

DD- _____ -01-01

Monthly Mortgage Insurance⁽¹⁰⁾, plus
 Monthly Homeowner’s Fire Insurance⁽¹¹⁾, plus
 Monthly Property Taxes⁽¹²⁾, plus
 Monthly Principal and Interest = Other Housing Expenses or \$ _____ (from V)
 NOTE: Mortgage = 0.95 sales price + \$500
 Sales Price = \$ _____ (from V) = \$ _____

Mortgage = 0.95 Sales Price + \$500 = 0.95 (\$ _____) + \$500 = \$ _____

TABLE OF FACTORS:

Current FHA Interest Rate	Factor 1	Factor 2
11%	\$5.09	0.0107185
11½%	\$5.28	0.0110795
12%	\$5.48	0.01145
12½%	\$5.67	0.011811
13%	\$5.86	0.0121815
13½%	\$6.06	0.0125615
14%	\$6.26	0.012932
14½%	\$6.46	0.013312
15%	\$6.65	0.0136825
15½%	\$6.86	0.014072
16%	\$7.06	0.014452
16½%	\$7.26	0.014832
17%	\$7.46	0.0152215
17½%	\$7.66	0.0156015
18%	\$7.87	0.015991

FOOTNOTES:

1. The present occupants (the buyers) have certified their income to the lender in accordance with the current HUD Rules and Regulations. Copies of Income Certification have been obtained for Caltrans files.
 Income certifications have been verified by the lender in accordance with the current HUD Rules and Regulations.
 MONTHLY GROSS INCOME utilized by the lender in calculating the affordable sales price is, in some instances, an adjusted income figure. Adjustments are discussed in the *Special Comments* section for each property and are based upon the lender's experience in processing loans through HUD for approval.
2. FEDERAL INCOME TAXES WITHHELD based on marital status and number of exemptions.

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3. HUD Section 235 regulations provide that purchasers' monthly housing expenses generally should not exceed 35% of their MONTHLY NET EFFECTIVE INCOME (TOTAL MONTHLY GROSS INCOME less FEDERAL INCOME TAXES WITHHELD). If the purchasers' income is not totally stable and/or their OTHER RECURRING MONTHLY CHARGES are more than 15% of their NET EFFECTIVE INCOME, the maximum percentage allowable to housing expenses may be reduced below 35%, to a percentage believed by the lender to be acceptable to HUD.
 4. For purposes of calculating an *estimated* affordable sales price prior to submission to the California Transportation Commission, the Local HUD Mortgage Credit Office schedules for maintenance and utilities were utilized. The *final* affordable sales price allowance for maintenance and utilities will be based on amounts contained in the FHA appraisal.
 5. DOWN PAYMENT also calculated pursuant to current HUD Rules and Regulations. 3% of first \$25,000 of Sales Price *Plus* 5% of Sales Price in excess of \$25,000.
 6. STATE INCOME TAXES WITHHELD based on marital status and number of exemptions.
 7. SOCIAL SECURITY TAXES based on 6.70% of *wages* earned in 1982 not to exceed \$181 per month for any wage earner. Income other than wages is not subject to Social Security taxes.
 8. Other debts verified by lender to run twelve months or more such as compulsory retirement contributions, installment account payments and other loan account payments.
 9. HUD Section 235 regulations provide that purchasers' TOTAL FIXED MONTHLY PAYMENTS (MONTHLY HOUSING EXPENSES and OTHER RECURRING MONTHLY CHARGES) generally should not exceed 50% of their NET EFFECTIVE INCOME unless they are accustomed to paying more for such payments.
 10. Yearly Mortgage Insurance Factor: 0.5% X Mortgage Amount.
 11. Yearly Homeowner's Fire Insurance: 0.3% X Mortgage Amount.
 12. Yearly Property taxes under Proposition 13: 1.25% X Sales Price.
-

Space above this line for Recorder's Use

DISTRICT	COUNTY	ROUTE	LOCATION	NUMBER

RIGHT TO PURCHASE AGREEMENT BETWEEN CALTRANS AND BUYER

THIS AGREEMENT, dated _____, is entered into between the STATE OF CALIFORNIA,
DEPARTMENT OF TRANSPORTATION (CALTRANS) _____

_____ [Insert address of District Office]

and _____
(Insert name of BUYER)

(BUYER).

1. The California Legislature has declared in Government Code Section 54235 that sales of state-owned surplus residential property which result in displacement and/or a loss of low and moderate income housing cause a significant environmental effect.
2. Government Code Section 54235 and following sections require that in order to mitigate such environmental effect, all surplus single family residences must be offered to eligible current occupants at an affordable price, which may be less than market value.
3. Government Code Section 54237 requires that when state-owned surplus single family residences are sold to present occupants for less than market value, the selling agency must impose such terms, conditions and restrictions as will assure that such housing will remain available to persons and families of low or moderate income and households with incomes no greater than the incomes of present occupants in proportion to the area median income.
4. BUYER has been given the opportunity to purchase the single family residence located at _____

_____ [Insert address]

(the

PROPERTY)

for \$ _____ (the "base price") although the market value of the PROPERTY has been estimated to be \$ _____.

5. In return for that opportunity, BUYER hereby covenants and agrees that:
 - A. The interest in the PROPERTY to be conveyed to BUYER will be subject to a thirty (30) year continuing pre-emptive right to purchase (RIGHT TO PURCHASE) the PROPERTY vested in Caltrans.
 - B. Caltrans shall exercise the RIGHT TO PURCHASE only for the purpose of making the PROPERTY available to a person or family of low or moderate income or household with an income no greater than the income of the present occupants in proportion to the area median income.
 - C. Caltrans may designate a governmental or nonprofit organization (hereinafter DESIGNEE) to exercise its RIGHT TO PURCHASE. BUYER shall be given written notice of the name and address of any DESIGNEE.
 - D. The RIGHT TO PURCHASE may be assigned to an individual private buyer (hereinafter ASSIGNEE) who qualifies as a low or moderate income person or family or a household with an income no greater than the income of the present occupants in proportion to the area median income.

**RIGHT TO PURCHASE AGREEMENT BETWEEN
CALTRANS AND BUYER (Cont.)**

RW 16-13 (9/94)

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- E. BUYER will not lease or sublease the PROPERTY, or any part thereof, or allow parties other than BUYER to live in the PROPERTY, without the prior written consent of that DESIGNEE.
 - F. Except for purposes of repairing or maintaining the PROPERTY, BUYER shall not encumber the PROPERTY or any interest therein, in whole or in part, without the prior express written consent of Caltrans or if there is a DESIGNEE, the prior written consent of that DESIGNEE.
 - G. BUYER shall not add any substantial improvements to the PROPERTY without the prior express written consent of Caltrans or if there is a DESIGNEE, the prior written consent of that DESIGNEE.

"Substantial improvements" are those improvements which materially add to the value of the PROPERTY or adapt it to new uses. Examples of such improvements are: putting a recreation room in an unfinished basement, adding another bathroom or bedroom, adding a swimming pool, enlarging a garage, installing a fireplace, or constructing a patio.

"Substantial improvements" do *not* include emergency repairs, maintenance or work required by applicable building or housing codes.

In order to assure that the PROPERTY will remain affordable to persons and families of low or moderate income and households with incomes no greater than the income of the BUYER in proportion to the area median income, Caltrans will minimize substantial improvements to the PROPERTY.

- H. BUYER shall not sell, transfer or assign the PROPERTY, or any interest therein, in whole or in part, or agree to do so, except for transfers to the BUYER'S spouse or children occasioned by the death or divorce of BUYER, without first complying with the procedures set out in Paragraph 7 below.
In addition, at the time of transfer to BUYER'S spouse or children, the spouse or children taking the PROPERTY shall execute an agreement with CALTRANS renewing the RIGHT TO PURCHASE.
 - I. BUYER shall at all times maintain insurance on the PROPERTY at a level of at least 80 percent of replacement cost and shall provide that such insurance policy names Caltrans as an additional insured.
 - J. BUYER shall secure financing to buy the PROPERTY and shall cause the lender to include in the deed of trust securing the note a provision that any power of sale is subject to the RIGHT TO PURCHASE.
6. To insure compliance with the above described conditions, the BUYER will allow CALTRANS or its DESIGNEE periodic inspection of the interior and exterior of the unit during normal business hours or otherwise by special arrangements, subject to a written five day notice.
7. In the event that BUYER, BUYER'S spouse or children who have title pursuant to subparagraph H of Paragraph 5 above, or any owner who has title derived through foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise, desire to sell, transfer or assign the PROPERTY, they shall comply with the following procedures:
- A. Simultaneously notify Caltrans and its DESIGNEES (if any) of the intent to sell, transfer or assign, in writing by certified mail (hereinafter "NOTICE OF INTENT"). Caltrans or if there is a DESIGNEE, that DESIGNEE shall then have a RIGHT TO PURCHASE the PROPERTY for the price and terms set out below, which RIGHT TO PURCHASE shall be exercisable, by delivery of written notice (hereinafter "NOTICE OF ACCEPTANCE") to BUYER by personal delivery or certified mail, within sixty (60) calendar days from the date of receipt of the NOTICE OF INTENT. (Hereinafter all references to days shall refer to calendar days.)
 - B. If BUYER fails to comply with the provisions of subparagraphs E, F, G, or H of Paragraph 5 above, then Caltrans, or if there is a DESIGNEE, that DESIGNEE may deem, at its election, that BUYER had delivered a NOTICE OF INTENT and the RIGHT TO PURCHASE may be exercised pursuant to Paragraph 7 herein. Failure to exercise the RIGHT TO PURCHASE under the circumstances described in this paragraph shall not result in the expiration of the RIGHT TO PURCHASE, shall not give BUYER the right to sell the PROPERTY at market value pursuant to subparagraph G of Paragraph 7 below and shall not bar Caltrans from taking other action to enforce this Attachment to Grant Deed.
 - C. If the RIGHT TO PURCHASE is exercised, sales escrow shall be opened within fifteen (15) days after NOTICE OF ACCEPTANCE is delivered, and closed as soon as practicable.
 - D. Following receipt of the NOTICE OF INTENT, the entity exercising the RIGHT TO PURCHASE will inspect the PROPERTY to determine whether in its judgement repairs, rehabilitation, or replacements ("fix-up costs"), beyond the requirements of normal maintenance are necessary in order to put the unit into saleable condition. If any such is deemed to be necessary, they shall either be provided by BUYER before close of escrow or the entity exercising the RIGHT TO PURCHASE will determine the cost thereof which shall be the "fix-up costs."
 - E. In the event the RIGHT TO PURCHASE is exercised, the "gross option price" shall be:
 - (1) The "base price" for the PROPERTY, as shown in Paragraph 4 above, adjusted by a percentage which is the same as the percentage by which the median household income for a family of four in _____ County increased between the date that BUYER took title to the PROPERTY and the date that the NOTICE OF ACCEPTANCE was delivered. Median income shall be determined on the basis of county median income figures published by the United States Department of Housing and Urban Development (HUD) or if HUD does not publish such figures, on the basis of figures published by the STATE OF CALIFORNIA, DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

**RIGHT TO PURCHASE AGREEMENT BETWEEN
CALTRANS AND BUYER (Cont.)**

RW 16-13 (9/94)

(HCD), and was \$ _____ in _____ County on the date that BUYER took title to the PROPERTY. (For example, the base price is \$52,000 for a unit and the median income the date BUYER takes title is \$20,000 and the median income on the date the NOTICE OF ACCEPTANCE is delivered is \$25,000, the percentage increase is 25 percent. Therefore, the base price by BUYER will be increased by 25 percent from \$52,000 to \$65,000).

(2) Plus the current value of any substantial improvements as determined by the entity exercising the RIGHT TO PURCHASE if such improvements had the prior written approval as required by subparagraph G of Paragraph 5 above.

F. The "net option price" to be paid to BUYER at close of escrow will be the "gross option price," *less the total of:*

- (a) The unpaid balance of the First Deed of Trust at close of escrow, including any costs that may be incurred as a result of a default by BUYER; and
- (b) The fix-up costs unless fix-up work is provided by BUYER; and
- (c) Any other liens or encumbrances at close of escrow and prorated current real estate taxes; and
- (d) Three percent of the "gross option price" which amount will be paid to the entity exercising the RIGHT TO PURCHASE to cover the cost of administration; and
- (e) All escrow, title policy and closing costs, except for costs which the lender or applicable law require to be paid by the party acquiring the PROPERTY.

G. The "net option price" will be paid in cash at the close of escrow or as otherwise provided by mutual agreement.

H. In the event the BUYER provides the notices required in subparagraph A of Paragraph 7 above and the RIGHT TO PURCHASE is not exercised within the time limits set forth in this Agreement, BUYER shall be free to sell the PROPERTY, at its then market value, in an arm's length transaction. Caltrans may offer assistance to BUYER in conducting a market value sale and BUYER shall not unreasonably refuse to accept a market value offer for the PROPERTY. The proceeds of the sale shall be divided between Caltrans and BUYER as follows:

To BUYER: Up to, but not to exceed, the net amount BUYER would have received under subparagraph F of Paragraph 7 above had the RIGHT TO PURCHASE been exercised on the date of the sale of the PROPERTY.

To Caltrans: The balance of the proceeds of the sale. Normal real estate brokerage commissions, if paid, shall be taken from Caltrans' share of the proceeds.

8. A. BUYER agrees to cause to be filed for records in the Office of the Recorder of the County of _____ a request for a copy of any Notice of Default and of any Notice of Sale under any deed of trust or mortgage with power of sale encumbering the PROPERTY pursuant to Section 2924(b) of the Civil Code of the State of California. Such request shall specify that any such notice shall be mailed to Caltrans. Any Notice of Sale given pursuant to Civil Code Section 2924(f) shall constitute a NOTICE OF INTENT giving rise to the RIGHT TO PURCHASE under this Agreement. The RIGHT TO PURCHASE shall take priority over any trustee's sale or foreclosure.

B. If the RIGHT TO PURCHASE is not exercised within the time limits specified in Paragraph 7, and the PROPERTY is sold at trustee's sale or foreclosure or by deed in lieu of foreclosure, the party who acquires the PROPERTY shall take subject to the RIGHT TO PURCHASE and all surplus proceeds will be distributed as follows:

To BUYERS: Up to, but not to exceed, the net amount BUYER would have received under subparagraph E of Paragraph 7 had the RIGHT TO PURCHASE been exercised on the date of the foreclosure.

To Caltrans: The balance of the surplus.

C. If BUYER cures any default and the RIGHT TO PURCHASE is not exercised within the time limits specified in Paragraph 7, the RIGHT TO PURCHASE will continue in existence.

9. This Agreement shall be recorded at close of escrow, so as to put all later parties on notice of the RIGHT TO PURCHASE under this Agreement.

10. In the event the PROPERTY is damaged and the insurance proceeds are not to be used to rebuild, the PROPERTY will be sold at market value by BUYER. In that event, or in the event of acquisition for a public use, the proceeds from the insurance and sale or from the acquisition shall be distributed as follows:

To BUYER: Up to, but not to exceed the net amount BUYER would have received under subparagraph E of Paragraph 7 above had the RIGHT TO PURCHASE been exercised on the date of damage or acquisition.

To Caltrans: The balance, if any.

11. Should it become necessary to commence legal proceedings to enforce any of the provisions of this Agreement, the parties hereto agree that the prevailing party shall be entitled to all legal costs incurred in connection therewith including a reasonable sum for attorney's fees.

12. The notices required herein shall be delivered to the addresses set out in this Agreement unless and until the person or persons entitled to such notices indicate in writing to the other parties hereto of a different address to which any notice or notices should be delivered.

**RIGHT TO PURCHASE AGREEMENT BETWEEN
CALTRANS AND BUYER (Cont.)**

RW 16-13 (9/94)

-
13. Should BUYER fail to comply with the terms, conditions and restrictions imposed by this Agreement, Caltrans reserves the right to require BUYER to pay to Caltrans the difference between the actual price paid by BUYER and the fair market value of the PROPERTY at the time of noncompliance plus six percent interest on such amount for the period of time the property has been held by BUYER.
 14. Caltrans shall not become liable to BUYER nor become obligated in any manner to BUYER by reason of any assignment of the RIGHT TO PURCHASE, nor shall Caltrans be in any way obligated or liable to BUYER for any failure of any DESIGNEE or ASSIGNEE to consummate a purchase of the PROPERTY or to comply with the terms of any Agreement for the sale of the PROPERTY.
 15. If any provision or application of this Agreement is held invalid by a court of law, such invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are severable.
 16. This Agreement shall automatically terminate thirty (30) years from its date. Until then, this Agreement shall inure to the benefit of and bind Caltrans and BUYER, and their respective heirs, successors, designees and assignees. All obligations hereby imposed shall be deemed to be covenants running with the land.
 17. The provisions of this Agreement shall become permanently void upon acquisition of PROPERTY title by the Secretary of HUD.

BUYER

Caltrans

By _____

(Notary acknowledgments must be attached
per Civil Code Section 1180 et seq.)

REQUEST FOR PROPOSAL DEPARTMENT OF TRANSPORTATION DISPOSAL OF _____ PROPERTIES

RW 16-14 (9/94)

INTRODUCTION

State law (Government Code Section 54235 et seq) provides for the offering of state-owned improved surplus residential properties to housing-related private and public entities for reasonable prices to be determined on the basis of affordability to present occupants and other low and moderate income households.

Within _____ there exists _____ such properties which are being offered for sale by the Department of Transportation. This Request For Proposal solicits proposals for the purchase of these properties, which must be developed as limited equity cooperative housing (and rehabilitated, if necessary) with first right of occupancy to the present occupants. Except that where the development of such cooperative or cooperatives is not feasible, the purchasing entity shall cause the property to be used for low and moderate income rental or owner-occupied housing, with first right of occupancy to the present tenants.

GENERAL REQUIREMENTS

A. PRIORITIES

Priority will be given to applicants whose proposal:

- 1) offers the highest price to Caltrans;
- 2) will serve the largest number of low and moderate income households at an affordable price or affordable rent;
- 3) demonstrates innovative use of public or private funds and is feasible in today's market; and
- 4) serves an underserved segment of the community, as defined in _____ Housing Element.

B. HOUSING-RELATED PRIVATE AND PUBLIC ENTITIES

Applicant must be a housing-related private or public entity which can demonstrate the authority and capacity to own and operate housing for persons and families of low and moderate income. Applicant must be in business, in good faith, to provide such housing to the general public.

Proposals submitted for the purpose of acquiring housing for relatives or friends or for other personal reasons are not acceptable.

C. REASONABLE PRICE

The term "reasonable price" means a price which allows economically feasible use of the property as decent, safe and sanitary housing at affordable rents and affordable prices for persons and families of low or moderate income.

D. AFFORDABLE PRICE

The term "affordable price" means, in the case of a purchaser, other than a lower income household, the price for residential property for which the purchaser's monthly payments will not exceed that portion of the purchasing household's adjusted income as determined in accordance with the regulations of the United States Department of Housing and Urban Development, issued pursuant to Section 235 of the National Housing Act; and, in the case of a purchaser that is a lower income household, the price for residential property for which the purchaser's monthly payments will not exceed that portion of the purchasing household's adjusted income as determined in accordance with the regulations of the United States Department of Housing and Urban Development issued pursuant to Section 8 of the United States Housing Act 1937.

E. AFFORDABLE RENT

The term "affordable rent" means, in the case of an occupant person or family, other than a person or family of low or moderate income, rent for residential property which is not more than 25 percent of the occupant household's gross monthly income; and in the case of an occupant person or family of low or moderate income, rent for residential property which is

not more than the percentage of the adjusted income of the occupant person or family as permitted under regulations issued pursuant to Section 8 of the United States Housing Act of 1937, but not in excess of the market rental value for comparable property.

F. INCOME LIMITS

Household income of *new* tenants shall not exceed the following moderate income limits:

Household Size	Income Limit	Household Size	Income Limit
1		5	
2		6	
3		7	
4		8	

(Applicant is advised to obtain income limits from proposed financing sources before determining income limits, which vary from program to program.)

- G. First right of occupancy must be provided to present occupants at an affordable rent. (If available, income of present occupants will be provided by Caltrans upon request.)
- H. The purchasing entity shall cause the property to be rehabilitated in accordance with the provisions of Government Code Section 54237(d).

I. DESCRIPTION OF PROPERTIES

A more detailed description of improvements is included on Attachment A.

<i>Address</i>	<i>No. Bedrooms</i>	<i>Sq. Footage</i>	<i>Caltrans Original Acquisition Price</i>
----------------	---------------------	--------------------	--

A walk-through of the above-noted properties has been scheduled for _____. All interested applicants are invited to attend. Copies of termite reports and Government Code Sections 54235, et seq. will be available for inspection at the walk-through.

J. CONTENTS OF PURCHASE PROPOSAL

Applicants shall submit a proposal consisting of the following:

- Name, address, and telephone number of applicant;
- Background of applicant, including experience in other low and moderate income housing projects.
- A completed *PROPOSAL FORM* (Attachment B) for each property including proposed purchase price, estimated cost of rehabilitation (if needed), income of target household for each unit, source of financing for acquisition, rehabilitation and subsidies, if available, including interest rates and terms, etc.
- Evidence, such as copy of articles of incorporation and by-laws or comparable documents, that applicant is a housing-related entity as described in Paragraph B.
- Description of low and moderate income housing projects previously completed by applicant, including information as to funding utilized in such projects."

In determining a proposed purchase price, applicant will demonstrate that said price is necessary to provide affordable housing that is economically feasible, decent, safe, and sanitary. In no event, however, will the approved proposal be less than Caltrans original acquisition price.

Offers may be submitted on all or some of the properties.

- Long-term management and maintenance plans.

K. PROCEDURES

1. All proposals shall be submitted to:

Department of Transportation

Attn: _____

by _____ 1, 19 ____

2. Proposals will be reviewed for acceptance by a committee consisting of employees of the Departments of Transportation and Housing and Community Development.
3. The successful/chosen applicant will be required to execute a written *AGREEMENT FOR THE PURCHASE OF REAL PROPERTY* - sample included as Attachment C.
4. The proposed sale will be submitted to the California Transportation Commission.
5. If the sale is approved by the California Transportation Commission, the successful applicant shall proceed to finalize the purchase of the property or properties.

For further information on this Request For Proposal contact _____.

L. AGREEMENT FOR THE PURCHASE OF REAL PROPERTY

The successful applicant will be required to enter into a written *AGREEMENT FOR THE PURCHASE OF REAL PROPERTY* which shall consist of:

1. approved purchase proposal;
2. final acquisition terms as to all properties;
3. terms of the performance and commencement date;
4. terms, conditions and restrictions which will assure that such housing will remain available to persons and families of low or moderate income;
5. compliance with all applicable local, State, and Federal laws.

M. DEPOSIT

The successful applicant must present, within 10 days after selection, either CASHIERS CHECK or a MONEY ORDER made payable to the State Department of Transportation in the amount of the required deposit of _____ (District fill in appropriate amount) per property.

FORFEITURE OF DEPOSIT

The deposit shall be NONREFUNDABLE in the event that the successful applicant fails to comply with any and all the terms of the AGREEMENT as herein provided.

All payments must be made in CASH, CASHIERS CHECK, or MONEY ORDER made payable to the State Department of Transportation. The successful applicant's deposit made at the time of sale will be retained by State and not placed in escrow.

**REQUEST FOR PROPOSAL DEPARTMENT OF TRANSPORTATION
DISPOSAL OF _____ PROPERTIES (Cont.)**

N. CASH-CREDIT TERMS

The purchase may be a cash or credit transaction. In either event, escrow must be closed no later than _____.

The successful applicant, if desiring credit terms, shall, within 30 days after executing the AGREEMENT, open an escrow at his expense with a mutually acceptable title company and by _____ deposit a sum of money which will equal at least 30% of the successful proposal, together with the fire insurance policy as provided for in the proposal and a signed Note and Trust Deed acceptable in form to the State of California in the amount of the balance of the purchase price. Said Note shall provide the balance of the purchase price and will be payable in monthly installments for a period not to exceed 10 years. The Note shall bear interest at the rate of ____ percent per annum.

Interest will commence the day after the close of escrow. The principal obligation under the Trust Deed may be prepaid in full or in part at any time without penalty. Partial payments shall be applied against the principal obligation and shall not replace regularly scheduled payments. Late payments shall be subject to penalty charges. Loans cannot be assumed or subordinated.

The successful applicant, if intending an all-cash transaction, shall, within 30 days after executing the *AGREEMENT FOR THE PURCHASE OF REAL PROPERTY*, open an escrow at his expense with a mutually acceptable title company and by _____ deposit the balance of the purchase price.

O. LIMITING CONDITIONS

- (1) Any sale is subject to the approval of the California Transportation Commission. If the sale is not approved, the deposit money will be refunded without interest. The successful applicant may take possession when the Director's Deed is recorded.
 - (2) When the sale is approved by the California Transportation Commission and the successful applicant elects to exercise the AGREEMENT, the deposit will be credited toward the purchase price.
 - (3) The State reserves the right to reject any and all proposals and to cancel the sale in part or in its entirety any time prior to the approval of the sale by the California Transportation Commission. In the event of cancellation of sale and/or rejection of any proposals, the respective deposits of money shall be refunded without interest.
 - (4) The right, title, and interest in the property to be sold shall not exceed that vested in the State of California, and this sale is subject to all title exceptions and reservations whether or not of record. The successful purchaser may obtain a policy of title insurance at his own expense.
 - (5) The successful purchaser shall pay all recording fees, documentary stamp taxes, or other real estate transaction taxes or fees by whatever name known, including escrow fees or brokers commission, if any, and personal property sales taxes where applicable.
 - (6) Should the successful purchaser desire a survey of the property, this may be accomplished by an independent survey at the purchaser's expense. No warranty is made by the Department of Transportation relative to the ground locations of property lines other than monumented highway right of way lines.
 - (7) The successful purchaser shall be responsible for checking and complying with local building codes and ordinances. All properties are sold in an "as is" condition. See local Planning Department for permitted land uses.
-
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DESCRIPTION OF IMPROVEMENTS

Address

Description



PROPOSAL FORM

District County Route Post Mile Number

I. Anticipated Gross Monthly Rental Income \$ _____

(Applicant should take into account that affordable rent of future tenants may be higher or lower than present occupants.)

II. Less Monthly Costs to be Paid by Buyer/Housing Entity and/or Tenant =

- A. Utilities \$ _____
- B. Fire/Hazard Insurance \$ _____
- C. Real Estate Taxes (if any) \$ _____
- D. Management \$ _____
- E. Normal Maintenance \$ _____
- F. Reserves for Replacement \$ _____
- G. Other (specify) _____ \$ _____

Total Operating Costs (II) \$ _____

III. Net Income/Available to Service Debt (I minus II) \$ _____

IV. Estimated Cost of Rehabilitation Work (if any) \$ _____
Specify nature of work _____

V. If Separately Financed, Term and Interest Rate of Rehabilitation Loan:

VI. Monthly Payment to Amortize Rehabilitation Loan (if any) \$ _____

VII. Amount Available Now to Amortize Purchase Money Loan (III minus VI) \$ _____

VIII. Best Available Mortgage/Trust Deed Terms:

- A. _____ % down payment
- B. _____ years
- C. _____ % interest rate

IX. Affordable Mortgage/Trust Deed Calculated on Basis of VII and VIII \$ _____

X. Down Payment \$ _____

XI. Caltrans Original Acquisition Price \$ _____

XII. Proposed Purchase Price \$ _____



In reviewing your proposal, Caltrans will take into consideration that there may be surplus income available upon payoff of rehabilitation loan. Applicant should also take this into consideration when making your proposal.

Indicate the basis for each estimated amount (Except III and VII).

For reserves for replacement, indicate:

1. Items requiring reserves
2. Estimated life of each
3. Monthly reserve amount for each

Indicate source and details of any loan to be made in connection with this purchase.

**AGREEMENT FOR THE PURCHASE OF REAL PROPERTY
(SALE TO HOUSING ENTITY)**

RW 16-15 (9/94)

Dist.-Co.-Rte. _____
Director's Deed No.: _____
Seller: State of California
Buyer: _____
Date: _____

This Agreement is entered into between the State of California (Department of Transportation; hereinafter called "SELLER") and the undersigned purchaser (hereinafter called "BUYER") for the purchase of certain real property.

It Is Hereby Agreed As Follows:

- 1. SELLER agrees to sell to BUYER and BUYER agrees to purchase from SELLER upon the terms and for the consideration set forth in this Agreement, all that certain real property situated in the City of _____, County of _____, State of California and legally described as follows:

also known as: _____

(Street Address)

It is understood and agreed that the real property conveyed shall include all building fixtures, equipment and appliances which are part of the above-described real property.

- 2. Consideration:
BUYER will, within 10 days after execution of this Agreement, present either cashier's check or money order made payable to the State of California, Department of Transportation, an option deposit of: \$ _____
Estimated Proceeds of Loan to be obtained by BUYER: \$ _____
Sales Price (i.e., "reasonable price"): \$ _____
Prior to the close of escrow, BUYER will deposit into escrow, or cause to be deposited into escrow, all funds and/or documents, required from BUYER to enable escrow to close. Seller agrees to deposit with the Escrow Agent a Director's Deed conveying the real property to BUYER, together with such other instruments as are necessary.
- 3. Title to the property shall be vested: _____.
- 4. Conveyance by SELLER shall be all of its right, title and interest in the property to be sold, subject to all exceptions and reservations whether or not of record and an agreement acceptable to SELLER which shall contain such terms, conditions and restrictions as will assure that the real property will remain available to persons and families of low or moderate income. BUYER may obtain a policy of title insurance at BUYER'S expense.
- 5. BUYER will procure, at BUYER'S expense, new fire insurance coverage in an amount and type satisfactory to SELLER. Proof of coverage will be deposited with SELLER.
- 6. Escrow Fees, Charges, and Costs:
 - (a) BUYER shall pay all recording fees, documentary stamp taxes, or other real estate transaction taxes or fees by whatever name known, including escrow fees or brokers commission, if any, and personal property sales taxes where applicable.
 - (b) It is expressly understood and agreed that the net proceeds received by SELLER from this sale may not be less than \$ _____, which is the original acquisition price paid by SELLER.

**AGREEMENT FOR THE PURCHASE OF REAL PROPERTY
(SALE TO HOUSING ENTITY) (Cont.)**

7. BUYER acknowledges that the subject property has been removed from the Assessed Property rolls in the County of BUYER further acknowledges full responsibility for the payment of all property taxes and assessments accruing after the close of escrow.
 8. This Agreement, on behalf of the SELLER, is subject to approval by the California Transportation Commission.
 9. SELLER makes no warranty as to condition of the real property and BUYER will fund repairs required by lenders and if a government housing assistance program is used, repairs required by such program.
 10. BUYER'S option deposit shall be NONREFUNDABLE in the event that BUYER unilaterally fails to comply with any and all terms of this Agreement and BUYER shall be responsible for all appropriate cancellation fees and charges for services rendered to that point.
Should BUYER and SELLER mutually agree to cancel this escrow, such fees and charges will be paid by BUYER in accordance with paragraph 6 of this Agreement.
 11. The terms, conditions, covenants and agreements set forth herein shall apply to and bind the heirs, executors, administrators, assigns and successors of the parties hereto.
 12. BUYER agrees to utilize the real property conveyed as housing for persons or families of low and moderate income in accordance with the provisions of Government Code Sections 54235, et seq.
 13. BUYER shall hold SELLER harmless from any and all claims for rights and/or benefits under Government Code Sections 7260, et seq. and 54235, et seq. from the present occupants of the real property conveyed in any way resulting from or caused by use and management of the real property by the BUYER.
 14. BUYER agrees to provide SELLER on or before the first day of February after escrow closes and each February 1 thereafter with a report detailing BUYER'S use of and rental rates charged for the real property conveyed for the time period since the preceding report.
 15. SELLER agrees to subordinate SELLER'S deed of trust to any purchase money deed of trust incurred by BUYER in this transaction.
 16. This Agreement contains the entire agreement between the parties and neither party relies upon any warranty or representation not contained in these documents.
 17. BUYER agrees that transfer of title to BUYER shall be by Director's Deed and that BUYER may not take possession of acquired property until after the Director's Deed is recorded.
 18. The term of this Agreement shall be _____ months and shall remain in force thereafter until terminated by the SELLER. If BUYER is unable to proceed or if BUYER fails to significantly meet its program objectives for reasons within its control, SELLER shall notify BUYER in writing of the particulars of its failure(s). If, within sixty (60) days after such notice is delivered, BUYER has not corrected its failures, SELLER may terminate this Agreement.
 19. Mailing address of BUYER:
 20. Mailing address of SELLER:
- IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

Space above this line for Recorder's Use

DISTRICT	COUNTY	ROUTE	LOCATION	NUMBER

NOTE AND AGREEMENT SECURED BY A DEED OF TRUST

THIS NOTE AND AGREEMENT, dated _____, is made by

_____ (BUYER) as evidence of a debt to
(Insert name of BUYER)
the STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION (CALTRANS)

[Insert address of District Office]

1. The California Legislature has declared in Government Code Section 54235 that sales of State-owned surplus residential property which result in displacement and/or a loss of low and moderate income housing cause a significant environmental effect.
2. Government Code Section 54235 and following sections require that in order to mitigate such environmental effect, all surplus residential properties not sold directly to eligible present occupants must be offered to housing-related private and public entities to be developed as limited equity cooperative housing or low and moderate income rental or owner-occupied housing. Such offer must be at a reasonable price, which is best suited to economically feasible use of the property as decent, safe and sanitary housing at affordable rents and affordable prices for persons and families of low or moderate income.
3. Government Code Section 54237 requires that when State-owned surplus single family residences are sold to a housing-related public or private entity for less than fair market value, the selling agency shall impose such terms, conditions and restrictions as will assure that such housing will remain available to persons and families of low or moderate income.
4. BUYER has been given the opportunity to purchase the surplus residential property located at _____

[Insert address]

(the PROPERTY)

for \$ _____ although the market value of the PROPERTY has been estimated to be \$ _____.

5. In return for that opportunity and in the event BUYER does not comply with the terms, conditions, and restrictions set forth in Paragraph 6, below, BUYER agrees to pay Caltrans a principal amount equal to the difference between \$ _____ (the actual price paid by BUYER for the PROPERTY) and the fair market value of the PROPERTY, at the time of Caltrans' determination of noncompliance, plus _____ () percent simple interest per year on such amount for the period of time the PROPERTY has been held by BUYER.

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6. On the occurrence of any of the following events CALTRANS, at its sole election, may declare all or any portion of the principal and accrued interest on this NOTE AND AGREEMENT to be immediately due and payable and may proceed at once without further notice to enforce this NOTE AND AGREEMENT according to law:
 - A. BUYER, its successors or assigns, use the PROPERTY for a purpose other than providing housing in the manner required by Government Code Section 54235 and following sections.
 - B. BUYER, its successors or assigns, charge occupants of the PROPERTY a rent in excess of "affordable rent" as defined in Government Code Section 54236(g).
 - C. BUYER, its successors or assigns, fail to rehabilitate the PROPERTY and maintain it in compliance with applicable local building and safety regulations.
 - D. BUYER, its successors or assigns, sell or otherwise transfer the PROPERTY without the prior express written consent of Caltrans.
 7. To insure compliance with the above described conditions, the BUYER will allow CALTRANS or its authorized agent periodic inspection of the interior and exterior of the unit during normal business hours or otherwise by special arrangement, subject to a written five (5) day notice.
 8. This NOTE AND AGREEMENT shall automatically cease and terminate thirty (30) years from its date.
 9. No delay or failure of CALTRANS in the exercise of any right or remedy hereunder or under any other agreement, which secures or is related hereto, shall affect any such right or remedy, and no single or partial exercise of any such right or remedy shall preclude any further exercise thereof, and no action taken or omitted by CALTRANS shall be deemed a waiver of any such right of remedy.
 10. The indebtedness evidenced by this NOTE AND AGREEMENT is secured by a Deed of Trust dated _____
_____.
 11. Should it become necessary to commence legal proceedings to enforce any of the provisions of this NOTE AND AGREEMENT, the parties agree that the prevailing party shall be entitled to all legal costs incurred in connection therewith including a reasonable sum for attorney's fees.
 12. If any provision or application of this NOTE AND AGREEMENT is held invalid by a court of law, such invalidity shall not affect other provisions or applications of this NOTE AND AGREEMENT which can be given effect without the invalid provision or application, and to this end the provisions of this NOTE AND AGREEMENT are severable.
 13. In the event the PROPERTY is sold pursuant to a Power of Sale under a Deed of Trust encumbering the PROPERTY or under any other lien encumbering the PROPERTY, this NOTE AND AGREEMENT shall terminate and become void. Any payments of surplus proceeds from such sale received by BUYER shall be paid by BUYER to CALTRANS.

Dated: _____

_____ BUYER

By _____

_____ CALTRANS

By _____

(Notary acknowledgments must be attached per Civil Code Section 1180 et seq.)

Space above this line for Recorder's Use

DEED OF TRUST

This Deed of Trust, Made this ____ day of _____, 19__, between _____
_____ herein called TRUSTOR, _____
_____ herein called TRUSTEE, and the STATE OF CALIFORNIA,
DEPARTMENT OF TRANSPORTATION, herein called BENEFICIARY, Witnesseth: That TRUSTOR irrevocably
GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in the County
of _____ State of California, described as:

TOGETHER WITH the rents, issues and profits thereof, SUBJECT, HOWEVER, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing payment of the indebtedness evidenced by a NOTE AND AGREEMENT, of even date herewith, executed by Trustor _____, lawful charge made by Beneficiary for a statement regarding the obligations secured hereby requested by or for Trustor, and the performance of each agreement herein contained.

A. To protect the security of this Deed of Trust, Trustor agrees:

1. To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer, or permit any act upon said property in violation of law; to cultivate, irrigate fertilize, fumigate, prune, and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
2. To provide, maintain, and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
3. To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear.
4. To pay: at least ten (10) days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.

5. To pay immediately and without demand all sums expended by Beneficiary or Trustee pursuant to the provisions hereof, with interest from date of expenditure at seven per cent per annum.
6. Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof, may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, or in enforcing this Deed of Trust by judicial foreclosure, pay necessary expenses, employ counsel and pay counsel's reasonable fees.

B. It is mutually agreed that:

1. Any award of damages in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or release such moneys received in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
 2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive the right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
 3. At any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed of Trust and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey all or any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
 4. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in any reconveyance executed under this Deed of Trust of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto."
 5. As additional security, Trustor hereby gives to and confers upon Beneficiary the right, power, and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
 6. Upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In the event of default, Beneficiary may employ counsel to enforce payment of the obligations secured hereby, and shall execute or cause the trustee to execute a written notice of such default and of Beneficiary's election to cause to be sold the herein described property to satisfy the obligations hereof, and shall cause such notice to be recorded in the office of the Recorder of each county wherein said real property or some part thereof is situated.
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Prior to publication of the notice of sale, Beneficiary shall deliver to Trustee this Deed of Trust and the Note or other evidence of indebtedness which is secured hereby, together with a written request for the Trustee to proceed with a sale of the property described herein, pursuant to the provisions of law and this Deed of Trust.

Notice of sale having been given as then required by law, and not less than the time then required by law having elapsed after recordation of such notice of default, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United States, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time and place fixed by the preceding postponement.

Trustee shall deliver to the purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary, may purchase at such sale.

After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title and reasonable counsel fees in connection with sale, Trustee shall apply proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest at seven percent per annum; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.

7. This Deed of Trust applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby; or, if the note has been pledged, the pledgee thereof. In this Deed of Trust, whenever the context so requires, the singular number includes the plural.
8. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
9. Beneficiary may from time to time or at any time substitute a Trustee or Trustees to execute the trust hereby created, and when any such substitution has been filed for record in the office of the Recorder of the county in which the property herein described is situated, it shall be conclusive evidence of the appointment of such Trustee or Trustees, and such new Trustee or Trustees shall succeed to all of the powers and duties of the Trustee or Trustees named herein.
10. If all or any part of the Property or an interest therein is sold or transferred by Trustor without Beneficiary's prior express written consent, Beneficiary may, at Beneficiary's option, declare all the sums secured by this Deed of Trust to be immediately due and payable. Beneficiary shall have waived such option to accelerate if, prior to the sale or transfer, Beneficiary and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Beneficiary and that the interest payable on the sums secured by this Deed of Trust shall be at such rate as Beneficiary shall request. If Beneficiary has waived the option to accelerate provided in this Paragraph 10, and if Trustor's successor in interest has executed a written Assumption Agreement accepted in writing by Beneficiary, Beneficiary shall release Trustor from all obligations under this Deed of Trust and the note and agreement secured by this Deed of Trust.

If Beneficiary exercises such option to accelerate, Beneficiary shall mail Trustor notice of acceleration. Such notice shall provide a period of not less than thirty (30) days from the date the notice is mailed within which Trustor may pay the sums declared due. If Trustor fails to pay such sums prior to the expiration of such period, Beneficiary may, without further notice or demand on Trustor, invoke any remedies permitted by this paragraph.

DEED OF TRUST (Cont.)

RW 16-17 (9/94)

C. Request is hereby made that a copy of any Notice of Default and a copy of any Notice of Sale hereunder be mailed, pursuant to the provisions of Section 2924b of the Civil Code of California, to the trustor at the address shown under Trustor's signature.

TRUSTOR

Address _____

TRUSTEE

Address _____

TRUSTOR

Address _____

BENEFICIARY

Address _____

(Notary acknowledgments must be attached
per Civil Code Section 1180 et seq.)

Space above this line for Recorder's Use

DISTRICT	COUNTY	ROUTE	LOCATION	NUMBER

ASSUMPTION AGREEMENT

THE UNDERSIGNED, _____ has acquired or is about acquire that certain real property described in a DEED OF TRUST dated _____, executed by _____ as Trustor, and recorded _____ of Official Records of _____ County, California, which DEED OF TRUST was given to secure a NOTE AND AGREEMENT also dated _____, and payable to STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION, bearing interest at the rate of _____()percent per annum with principal and interest payable as provided in said NOTE AND AGREEMENT; and the undersigned has agreed as part of the consideration for the conveyance to the undersigned of such real property to assume and pay the indebtedness evidenced by said NOTE AND AGREEMENT.

NOW, THEREFORE, in consideration of the premises and also to induce STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION not to exercise, in connection with said conveyance, the option contained in *Paragraph 10* on Page 3 of said DEED OF TRUST to accelerate maturity, the undersigned does hereby assume and agree to pay the indebtedness evidenced by said NOTE AND AGREEMENT and to pay and perform all the obligations, covenants and conditions mentioned in and secured by said DEED OF TRUST at the times and in the manner provided for in said NOTE AND AGREEMENT and said DEED OF TRUST. The undersigned is thoroughly familiar with all the terms and particulars of said NOTE AND AGREEMENT and DEED OF TRUST. The right to plead any and all statutes of limitations as a defense to said NOTE AND AGREEMENT or to any agreement to pay same or to any demand secured by said DEED OF TRUST or other security, securing said NOTE AND AGREEMENT is hereby expressly waived. Diligence, presentment, protest and demand, and notice of protest, dishonor and nonpayment of said NOTE AND AGREEMENT and any demands secured by said DEED OF TRUST are hereby waived.

STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION hereby releases _____ from any and all liability or obligation under the aforesaid NOTE AND AGREEMENT and DEED OF TRUST.

ASSUMPTION AGREEMENT (Cont.)

RW 16-18 (9/94)

THE UNDERSIGNED, STATE OF CALIFORNIA, DEPARTMENT OF TRANSPORTATION, being the owner and holder of the NOTE AND AGREEMENT and DEED OF TRUST described in this ASSUMPTION AGREEMENT in consideration of the assumption by _____ and _____ (his/her/their) _____ agreement to pay the indebtedness evidenced by said NOTE AND AGREEMENT and to pay and perform all of the obligations, covenants and conditions mentioned in and secured by said DEED OF TRUST at the times and in the manner provided for in said NOTE AND AGREEMENT and DEED OF TRUST and in consideration of the execution and delivery of this ASSUMPTION AGREEMENT to the undersigned, agrees that the undersigned will not, in this instance, exercise the option in *paragraph 10 on page 3* of said DEED OF TRUST to accelerate the indebtedness secured by said DEED OF TRUST. The nonexercise of such option in this instance shall not be deemed to be a consent to any other or future sale, conveyance or transfer which would come within the provisions of said NOTE AND AGREEMENT and said DEED OF TRUST nor shall be deemed a waiver of such right or of any right, privilege, or option reserved therein to the holder of said DEED OF TRUST. The undersigned hereby reserves all rights which it may now or hereafter acquire against any other parties who are or hereafter may become liable for payment of said NOTE AND AGREEMENT and/or payment or performance of the obligations, covenants, and conditions mentioned in or secured by said DEED OF TRUST.

DATE: _____, 19 ____ .

**STATE OF CALIFORNIA,
DEPARTMENT OF TRANSPORTATION**

BY: _____

(Notary acknowledgments must be attached
per Civil Code Section 1180 et seq.)



RECORDING REQUESTED BY

AND WHEN RECORDED MAIL TO

Space above this line for Recorder's Use

SUBORDINATION AGREEMENT - FORM A

Loan No. _____

NOTICE: THIS SUBORDINATION AGREEMENT RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS AGREEMENT, made this _____ day of _____, 19__ by _____, owner of the land hereinafter described and hereinafter referred to as "Owner", and _____, present owner and holder of the deed of trust and note first hereinafter described and hereinafter referred to as "Beneficiary";

WITNESSETH

THAT WHEREAS, _____ did execute a deed of trust, dated _____, to _____, as trustee, covering:

(Description of Property - Including County)

to secure a note in the sum of \$ _____, dated _____, in favor of _____ which deed of trust was recorded _____, as _____ Official Records of said county; and

WHEREAS, Owner has executed, or is about to execute, a deed of trust and note in the sum of \$ _____, dated _____ in favor of _____, hereinafter referred to as "Lender", payable with interest and upon the terms and conditions described therein, which deed of trust is to be recorded concurrently herewith; and

WHEREAS, it is a condition precedent to obtaining said loan that said deed of trust last above mentioned shall unconditionally be and remain at all times a lien or charge upon the land hereinbefore described, prior and superior to the lien or charge of the deed of trust first above mentioned; and

WHEREAS, Lender is willing to make said loan provided the deed of trust securing the same is a lien or charge upon the above described property prior and superior to the lien or charge of the deed of trust first above mentioned and provided that Beneficiary will specifically and unconditionally subordinate the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender; and

WHEREAS, it is to the mutual benefit of the parties hereto that Lender make such loan to Owner; and Beneficiary is willing that the deed of trust securing the same shall, when recorded, constitute a lien or charge upon said land which is unconditionally prior and superior to the lien or charge of the deed of trust first above mentioned.

NOW, THEREFORE, in consideration of the mutual benefits securing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Lender to make the loan above referred to, it is hereby declared, understood and agreed as follows:

- (1) That said deed of trust securing said note in favor of Lender, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the property therein described, prior and superior to the lien or charge of the deed of trust first above mentioned.
- (2) That Lender would not make its loan above described without this subordination agreement.
- (3) That this agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the deed of trust first above mentioned to the lien or charge of the deed of trust in favor of Lender above referred to and shall supersede and cancel, but only insofar as would affect the priority between the deeds of trust hereinbefore specifically described, any prior agreements as to such subordination including, but not limited to, those provisions, if any, contained in the deed of trust first above mentioned, which provide for the subordination of the lien or charge thereof to another deed or deeds of trust or to another mortgage or mortgages.

Beneficiary declares, agrees, and acknowledges that:

- (a) Beneficiary consents to and approves (i) all provisions of the note and deed of trust in favor of Lender above referred to, and (ii) all agreements, including but not limited to any loan or escrow agreements between Owner and Lender for the disbursement of the proceeds of Lender's loan;
- (b) Lender in making disbursements pursuant to any such agreement is under no obligation or duty to, nor has Lender represented that it will, see to the application of such proceeds by the person or persons to whom Lender disburses such proceeds and any application or use of such proceeds for purposes other than those provided for in such agreement or agreements shall not defeat the subordination herein made in whole or in part;
- (c) Beneficiary intentionally and unconditionally waives, relinquishes and subordinates the lien or charge of the deed of trust first above mentioned in favor of the lien or charge upon said land of the deed of trust in favor of Lender above referred to and understands that in reliance upon, and in consideration of, this waiver, relinquishment, and subordination specific loans and advances are being and will be made and, as part and parcel thereof, specific monetary and other obligations are being and will be entered into which would not be made or entered into but for said reliance upon this waiver, relinquishment and subordination; and
- (d) An endorsement has been placed upon the note secured by the deed of trust first above mentioned that said deed of trust has by this instrument been subordinated to the lien or charge of the deed of trust in favor of Lender above referred to.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN A LOAN A PORTION OF WHICH MAY BE EXPENDED FOR OTHER PURPOSES THAN IMPROVEMENT OF THE LAND.

Beneficiary

Owner

(Notary acknowledgments must be attached per Civil Code Section 1180, et seq.)

Space above this line for Recorder's Use

REQUEST FOR NOTICES OF DEFAULT AND SALE

In accordance with Section 2924b, Civil Code of the State of California, request is hereby made that a copy of any notice of default, and a copy of any notice of sale, under the deed of trust recorded _____, 19 ____, in Book _____ of Official Records at page _____, Recorder's Serial No. _____, Records of the _____ County of _____, State of California, executed by _____ as trustee, in which _____ is named as beneficiary and _____ as trustee, be mailed to:

NAME

STREET ADDRESS

CITY AND STATE

Dated: _____, 19 ____ .

(Notary acknowledgments must be attached per Civil Code Section 1180, et seq.)

Space above this line for Recorder's Use

DISTRICT	COUNTY	ROUTE	LOCATION	NUMBER

OWNER-OCCUPANT CERTIFICATION

The undersigned do hereby certify and declare as follows:

- (1) That on _____, we were high bidders, at the price of \$_____, at a public sale of the single family residence located at _____ (PROPERTY) presently owned by the State of California, Department of Transportation (Caltrans).
- (2) We acknowledge that our offer to purchase said PROPERTY was based upon the fact that we have represented to Caltrans that we intend to occupy said PROPERTY, as our residence, in keeping with the provisions of Section 54237(e) of the Government Code that gives priority to purchasers who will be owner occupants.
- (3) In consideration of Caltrans executing escrow and other documents to complete the sale of the above-described PROPERTY to us, the undersigned do hereby reaffirm and restate that we have agreed to purchase said PROPERTY as owner-occupants, and not for the purposes of resale or rental.

We declare, under penalty of perjury, that the foregoing is true and correct.

Executed on _____, at _____

Caltrans
by _____

(BUYER)

(BUYER)

(Notary acknowledgments must be attached per Civil Code Section 1180 et seq.)

NOTICE OF AFFORDABLE HOUSING RESALE PROGRAM

RW 16-22 (9/94)

Dear Purchaser:

Attached, pursuant to your request, is the following information regarding Caltrans Affordable Housing Resale Program:

1. Brief description of the program including resale controls.
2. *Application to Acquire Residence.*
3. *Income Certification* form.
4. Address of residence(s).

If you wish to be considered as a potential purchaser, please complete the attached forms and return them with a \$10 application fee together with a copy of your latest Federal income tax return to the Caltrans address indicated below. If you have any questions, please write or call _____ at _____.

(Department of Transportation
address, City, State, ZIP
Telephone)

DESCRIPTION OF AFFORDABLE HOUSING RESALE PROGRAM

Sections 54235 through 54238.6 of the Government Code require the California Department of Transportation (Caltrans) to sell surplus single family residences in accordance with procedures which are meant to:

1. Preserve, upgrade, and expand the supply of housing available to persons and families of low or moderate income, and
2. Mitigate environmental effects, within the meaning of Article XIX of the California Constitution, caused by the removal of such housing by highway activities.

These procedures have resulted in the sale of a number of residences at a price which is affordable to low or moderate income families and less than market value. As a part of such sales, resale controls have been imposed by Caltrans to assure that the houses will remain affordable and available to low or moderate income families.

Purchasers in the resale program will also be able to buy at an affordable price, paying no more than 35 percent of their monthly income (after Federal income taxes) towards *all* housing expenses (mortgage payment, property taxes, mortgage insurance, utilities, property insurance, and maintenance).

APPLICATION TO ACQUIRE RESIDENCE

The undersigned do hereby apply for eligibility to acquire a single family residence at an affordable price (which would be less than market value) under Caltrans' Affordable Housing Resale Program.

If I (we) am (are) found eligible for this program, I (we) would prefer to buy a residence in the following location:

_____ (Address of available housing.)

_____ (Address of available housing.)

Owner _____ or renter _____ at present residence.

Attached for Caltrans' further processing are:

1. Completed and signed *income certification*.
2. Copy of my (our) latest Federal Income Tax Return.
3. \$10 application fee.

ANNUAL CERTIFICATION OF OWNERSHIP CONDITIONS

RW 16-23 (9/94)

- A. Has owner leased or subleased the property, or any part thereof, or allowed parties other than Owner to live in the property, without the prior express written consent of Caltrans? (If "yes," specify.)

- B. Except for purposes of repairing or maintaining the property, has Owner encumbered the property or any interest therein, in whole or in part, without the prior express written consent of Caltrans? (If "yes," specify.)

- C. Has Owner added any substantial improvements to the property without the prior express written consent of Caltrans? (If "yes," specify.)

- D. Has Owner sold, transferred, or assigned the property, or any interest therein, in whole or in part, or agreed to do so, except for transfers to the Owner's spouse or children occasioned by death or divorce of the Owner, without first complying with the procedures set out in Paragraph 6 of the *Right to Purchase Agreement*? (If "yes," specify.)

- E. Has Owner maintained insurance on the property at a level of at least 80 percent of replacement cost and does such insurance policy name Caltrans as an additional insured?

- F. Did Owner make any emergency or other repairs to the property during the past year? (If "yes," specify.)

NOTICE OF INTENT

RW 16-24 (9/94)

Co-Rte-PM: _____

Director's Deed: _____

In accordance with the terms and conditions of the RIGHT TO PURCHASE AGREEMENT BETWEEN CALTRANS AND BUYER which conveyed to the undersigned owner(s) certain real property located in _____ County, California, commonly known as: _____

_____ (PROPERTY), the undersigned current owner(s) of the above-mentioned PROPERTY hereby notifies Caltrans or its DESIGNEE of my/our intent to [] sell, [] transfer, or [] assign the PROPERTY at the price and the terms set forth in above-mentioned Agreement. This Notice shall automatically expire, unless Caltrans or its DESIGNEE deliver a NOTICE OF ACCEPTANCE to buyer(s) by personal delivery or certified mail, return receipt requested, postage prepaid, within sixty (60) calendar days after date of receipt by Caltrans.

Name(s) of Owner(s) (print) _____

Dated: _____

Telephone Numbers: Home _____ Work _____

Executed this _____ day of _____ .

Owner

Owner

INSTRUCTIONS TO OWNER: After you have completed this Notice of Intent, personally deliver or mail it, postage prepaid, first class, certified, as follows:

(Insert Caltrans mailing address)

Caltrans will contact you to make arrangements to inspect the property so it can complete the Property Information Form. Upon completion, you will be requested to complete your portion of Part II.

PROPERTY INFORMATION FORM

RW 16-25 (9/94)

Co-Rte-PM: _____

Director's Deed: _____

PART 1. Property Information**A. General Information (to be completed by Caltrans Owner)**

Type of Property: SFR _____ Other _____

Owner's Purchase Price \$ _____ (Base Price) Escrow Closing Date _____

Number of Bedrooms _____ Number of Bathrooms _____ Square Footage _____

Monthly: Mortgage Payment \$ _____ Taxes \$ _____

Insurance \$ _____

Substantial Improvements Made Since Purchase Date: _____

Mortgage Liens Outstanding: 1st \$ _____ 2nd \$ _____

3rd \$ _____

Name and Address of Lender(s): _____

Phone Number _____ Contact Person _____

Type of Loans _____

Terms of Loans (Interest Rate, Down Payment Required, Down Payment Made, Loan Assumable?, Outstanding Principle on Loan, etc.) _____

Prepayment Required on First Trust Deed? Yes _____ No _____ Amount _____

An Inspection of the Property Can be Made on _____ at _____
(date) (time)**B. Schedule of Necessary Repairs, Rehabilitation or Replacement (to be completed by Caltrans or Designee)**

1. Cleaning/Painting: _____

Estimate of Cost: \$ _____

2. Plumbing/Electrical Repairs: _____

Estimate of Cost: \$ _____

3. Replacing Worn Carpets/Draperies: _____

Estimate of Cost: \$ _____

4. Appliance Repairs: _____

Estimate of Cost: \$ _____

5. Structural and Mechanical Repairs: _____

Estimate of Cost: \$ _____

6. Other Repairs Needed: _____

Estimate of Cost: \$ _____

C. Sales Price Calculation (to be completed by Caltrans)

Type of Deed Restriction: _____

Median Income Prevailing on Date Escrow Closed: \$ _____

Median Income Prevailing on Date Notice of Intent Received: \$ _____

Percentage Increase in Median Income: _____ %

Owner's Purchase Price \$ _____ (Base Price) X Percentage Increase in Median

Income % = Adjusted Base Price \$ _____

Adjusted Base Price: \$ _____ Plus: _____

Substantial Improvements: \$ _____ (Verification Attached _____)

Equals Gross Option Price: \$ _____

PROPERTY INFORMATION FORM (Cont.)

Page 2 of 2

RW 16-25 (9/94)

D. Net Option Price (Estimated)

\$ _____

Gross Option Price

Less:

- | | | | |
|----|--|----------|-------------|
| 1. | Unpaid balance on Deed of Trust at close of escrow: | \$ _____ | (Estimated) |
| 2. | Fix-up costs (if not provided by Owner): | \$ _____ | |
| 3. | Liens, encumbrances at close of escrow and prorated current real estate taxes: | \$ _____ | (Estimated) |
| 4. | Three percent of gross option price: | \$ _____ | |
| 5. | Escrow, title, and closing costs paid by Owner | \$ _____ | (Estimated) |

Subtotal

\$ _____

Net Option Price

(Estimated)

\$ _____

PART II: DECLARATIONS, ACKNOWLEDGMENTS, AND SIGNATURES

A. To be completed by Owner:

1. Owner hereby declares under penalty of perjury that the information submitted in Part I above is complete, true, and correct;
2. Owner hereby acknowledges that the Sales Price Calculation as determined by Caltrans in Part I C above has been reviewed and is agreed to;

Owner's Signature

Date

Owner's Signature

Date

B. To be completed by Caltrans:

1. Caltrans hereby declares that the information submitted in Part I B, C and D above is true and correct;
2. Caltrans hereby acknowledges that the RIGHT TO PURCHASE will be exercised or abandoned within sixty days from date of receipt of Notice of Intent.

Caltrans

By _____

Date

NOTICE OF ACCEPTANCE

RW 16-26 (9/94)

Co-Rte-PM: _____

Director's Deed: _____

Caltrans or its DESIGNEE hereby notifies _____

_____ (Owner(s)) of its intent to purchase that certain real property

located in _____ County, California commonly known as _____

_____ (PROPERTY). Said purchase shall be pursuant to the

terms and conditions as set forth in that certain RIGHT TO PURCHASE AGREEMENT BETWEEN CALTRANS AND

BUYER dated _____ .

Caltrans

By _____

Dated: _____

Owner(s) hereby confirm(s) that a copy of this NOTICE OF ACCEPTANCE has been personally delivered.

Executed this _____ day of _____ .

OWNER

OWNER

Space above this line for Recorder's Use

DISTRICT	COUNTY	ROUTE	LOCATION	NUMBER

NOTICE OF ABANDONMENT OF RIGHT TO PURCHASE

This Notice is executed the date set forth below by the State of California, Department of Transportation (Caltrans) pursuant to the terms of that certain Right to Purchase Agreement dated _____, 19__ and recorded _____, 19__ as Instrument No. _____ in Book _____, Page(s) _____ of the Official Records of _____ County, California.

The property commonly known as _____ is hereby released from the terms, covenants, conditions and encumbrances of the above-mentioned Agreement and no further action on the part of Caltrans is required to effectuate such release.

Executed this _____ day of _____ 19__.

Department of Transportation

BY _____

STATE OF CALIFORNIA • DEPARTMENT OF TRANSPORTATION
EXCESS LAND INVENTORY MEMORANDUM

RW 16-28 (REV 7/2001)

TO: Accounting Service Center
 Right of Way Accounting Section

Federal Project # _____ FEDERAL PARTICIPATION ON THE EXCESS PARCEL <input type="checkbox"/> Yes <input type="checkbox"/> No

Attention: _____
 FROM: RIGHT OF WAY EXCESS LAND

Dist _____ Co _____ Rte _____

Please record the following excess land entries shown in Part I:

Parcel _____ EA (for Expenditure Adjustment) _____

Part I: Excess Land VTA Transaction/Adjustments (Check appropriate item)	Code		Existing VTA	New VTA	Expenditure	Optional
	ELM	TC	on inventory	on inventory	Adj. needed? Y=Use Part II	Attach document Showing original acquisition
Create: <input type="checkbox"/> By new acquisition	1	899		\$	No	RW 8-16, RW 16-1
<input type="checkbox"/> By design change	1	899		\$	Yes	RW 8-16, RW 16-1
<input type="checkbox"/> Decertification of R/W or <input type="checkbox"/> Operational property (1)	1	899		\$	Yes	RW 8-16, RW 16-1
<input type="checkbox"/> By route rescission	7	899		\$	Yes	RW 8-16, RW 16-1
<input type="checkbox"/> By parcel split Use only for newly created parcel. Original VTA adjusted with ELM code 4.	6	899		\$	No	None
Adjust: VTA for existing parcels					See instructions on reverse	Revised RW 16-1 RW 8-16
<input type="checkbox"/> Increase *	4	899	\$	\$		
<input type="checkbox"/> Decrease *		900	\$	\$		
Return to inventory:						
<input type="checkbox"/> Option canceled	2	899		\$	No	Transmittal
<input type="checkbox"/> Foreclosed parcel	8	899		\$	No	RW 16-1
Incorp: <input type="checkbox"/> Into right of way or <input type="checkbox"/> Operational property (1)	3	900	\$		Yes	RW 16-1
Delete: <input type="checkbox"/> Parcel data in error *	5	900	\$		No	None

(1) cc: Accounting (Fixed Assets), HQ Asset Management
 Operational EA to be adjusted: _____

Part II: TRAMS Expenditures Adjustments

Use funding fiscal year transaction occurred or, if lapsed,
 earliest year appropriation available.

DESCRIPTION	Area		Right of Way				Accounting			
	<input type="checkbox"/> sq. ft	<input type="checkbox"/> sq. m.	Amount of Federal Participation (\$)				Obj Code	Amount		Prior F.Y.
	<input type="checkbox"/> acre	<input type="checkbox"/> ha	Existing		Revised			TC 243	TC 243R	
	Existing	Revised	6-Elig	7-Inelig	6-Elig	7-Inelig	(+)	(-)		
Land:										
R/W							050			
Excess (2)							080			
Improvements										
R/W							050			
Excess (2)							080			
Totals (3)										

(2) VTA amounts (3) Existing = Revised. If not, explain below.

Entered by: _____

* Explanation: _____

sign: ✓
Excess Land Agent Date
print: ^ Telephone:

EA Verified: (If expenditure adjustment needed) sign: >
R/W P&M Date
print: ^ Telephone:

INSTRUCTIONS FOR COMPLETION OF THE EXCESS LAND INVENTORY MEMORANDUM

PURPOSE:

To record VTA* transactions due to actions taken by RW Excess Land staff to **create, adjust, return, incorporate or delete** excess parcels and to record the related expenditure adjustment.

Do not use this form for sales, exchanges, or transfers to a State Agency. Enter only one transaction per form.

Part I - Prepared by District Right of Way Staff. If no applicable "federal project number," show "N/A." Be sure to show "yes" or "no" for excess parcel federal participation.

When an expenditure adjustment is needed, always provide a copy of the RW 8-16, RW 16-1, and other documents that support the original acquisition transaction.

"Adjust VTA For Existing Parcels"

(ELM 4) has these cases:

- Parcel Split (Original Parcel)
- Removal of Improvement
- Correct error in VTA
- Design Change
- For other situations, please explain (As Required)

Complete Part II

(Expend. Adjust)?

NO

NO

NO

YES

Part II - (Right of way Portion) also prepared by RW if a "Yes" appears in the "Expenditure Adjustment needed?" Column of Part I.

Enter "existing" and "revised" areas and amounts. The "amounts" entered for "Excess" should be the "VTA."* Totals for "existing" and "revised" data should equal; if not, please explain.

Enter the Federal Participation amounts under the correct column: "6-eligible" or "7-ineligible."

If adjustment is needed between project EAs, be sure to identify the EAs.

For Part II entries, contact **District Planning & Management (P&M)** to verify that the EA number is valid in TRAMS. If required, P&M to establish a new number. P&M to sign and date the form where indicated to certify validity of EA.

R/W sends completed form to ASC** (retaining a copy until ASC returns original with completed accounting entries). R/W also records the transaction on the weekly report.

R/W Accounting completes entries in shaded area. If Part II Entries, be sure R/W completed "EA Verified" block.

* VTA (Value at Time of Acquisition) is basis by which ASC reports the Excess Land Inventory to FHWA and the Legislature.

Source: "Excess Property Inventory Valuation," RW 7-13.

** For decertifications of (or incorporations into) **operational property**, include property name and address in "Explanation." Send copies to Fixed Assets (ASC) and Headquarters Asset Management.

Note: "Operational Property" part of "Land & Building Account."

EXCESS LAND FISCAL TRANSMITTAL

RW 16-29 NEW 3/96

TO: ACCOUNTING SERVICE CENTER

Attention: Cashiering (Money Transmittal)
 R/W Receivables (Adjustments/Refunds)

_____ Dist _____ Co _____ Rte _____ Post

FROM: RIGHT OF WAY EXCESS LANDS

DIRECTOR'S DEED #				No. of Parcels

SUBJECT: SALE OF EXCESS LAND

SALE PRICE \$ _____

- Cash Sale
 Informal Time Payment
 Credit Sale

Local Agency _____

_____ Name _____ EA

PURCHASER:	
Name	Address
Fed ID# (Credit sales only)	

CASHIERING: For deposit into Account 84 - Special Deposit Account

DEPOSIT
Amount \$ _____
Check or Money Order # _____

Accounting Date Stamp

RECEIVED FOR:

- Bid/Option Deposit
 Additional Option Deposit
 Balance of Down Payment (Credit Sale-Attach RW 16-1)
 Balance of Purchase Price (Cash Sale-Attach RW 16-1)
 1% Extension Penalty Fee - Period Expires: _____
 Foreclosure Fees (EA _____)
 Decertification Deposit (EA 926 _____)
 Acquisition Parcel No. _____
 Other* _____

Remit No. _____

ACCOUNTS RECEIVABLE: For related transactions

Amount \$ _____

- Forfeiture of Deposit
 Refund of Decertification (EA 926 _____)
 Refund of Deposits*
 Other* _____

Accounting to Complete: Date: _____ Check # _____ or Schedule # _____

*Remarks: _____

Cashiering Return to R/W Excess Land
 Attention: _____
 (Print Name)

Sign: > _____
 Print: > _____ Excess Land Agent Date
 Telephone: _____

EXCESS LAND FISCAL TRANSMITTAL

PURPOSE:

To document transmittal to Accounting Service Center of:

1. **Funds to Cashiering** that are received from a buyer in connection with the sale of excess land, decerts and fees.
2. **Requests to Accounts Receivable** regarding related adjustments, such as refunds or forfeiture of deposits.

INSTRUCTIONS: Excess Land staff completes the top of the form.

1. **Direct the RW 16-29 to either Cashiering or R/W Receivables.**
2. **Use only one form RW 16-29 for each transaction.** For example in a money transmittal: one RW 16-29 for the initial bid deposit, another one for any additional option deposits, etc.
3. **The director's deed number is the key identifier** for remitting monies and applying funds toward account receivable bills for excess land sales. Give the number of parcels in the disposal unit.
4. **Show the sales price and indicate the type of sale.**
5. **Give the purchaser's name and address.** For credit sales, enter the Federal I.D. number.
6. **For a sale on behalf of a local agency,** give the agency name and expenditure authorization (EA) number.

CASHIERING (MONEY TRANSMITTAL)

R/W Excess Land agent indicates the amount of the deposit and the check or money order number. Enter an "X" by **only one** of the money transmittals listed (use "remarks" to explain "other").

The agent signs and dates the form, gives a phone number and prints the name to whom the form should be returned. The agent then sends the R/W 16-29 with an attached check to Cashiering:

- (1) With the balance of the down payment or purchase price, attach a copy of the R/W 16-1;
- (2) For extension fee, show the extension period ending date;
- (3) For decertification, show the complete EA for 926 ___ ___ and show the acquisition parcel number;
- (4) For deposit of foreclosure fee, enter the applicable EA.

Headquarters Cashiering, upon receipt of the form RW 16-29, date stamp it, enter "Remit number", and make the deposit and related accounting entries.

(NOTE: If the Excess Land agent initially takes the funds and the RW 16-29 to the **District Cashier**, the District Cashier:

- (1) Gives the agent a receipt,
- (2) Date stamps the RW 16-29, and
- (3) Forwards the funds and RW 16-29 to Headquarters Cashiering.)

Headquarters Cashiering then returns a copy of the stamped receipted RW 16-29 to R/W Excess Land and sends the original to Accounts Receivable (A/R) for processing.

Accounts Receivable (A/R), upon receipt of down payment balance or purchase price, prepares a bill for the sale, records the sales credit and returns a copy of the bill to R/W Excess Land. For decertification deposits or extension penalty fees, A/R prepares a bill for monies received from the buyer and returns a copy to R/W Excess Land for filing.

ACCOUNTS RECEIVABLE (ADJUSTMENTS/REFUNDS)

R/W Excess Land agent indicates the type of transaction requested for Accounts Receivable (A/R) with the R/W 16-29.

- (1) Enter an "X" by **only one** of the transactions listed.
- (2) Enter **the amount of the transaction requested**.
- (3) For refund of decertification, show the related expenditure authorization (EA) 926__ __ __ number.
- (4) For "other" type of transaction, describe in "remarks".

The agent signs and dates the form, gives a phone number and prints the name to whom the form should be returned. The agent then sends the RW 16-29 to Accounts Receivable.

Accounts Receivable receives the RW 16-29.

- (1) For "**forfeiture of deposit**", A/R prepares a bill and makes accounting entries to record monies retained. A/R sends a copy of the bill and the RW 16-29 to R/W Excess Land for filing.
 - (2) For "**refund of decertification**", A/R requests Headquarters Accounts Payable to prepare a claim schedule for the refund and send the check to the buyer. A/R returns a file copy of the RW 16-29 (indicating the claim schedule date and number) to R/W Excess Land.
 - (3) For "**refund of deposits**", A/R requests Headquarters Cashiering to issue the refund. Cashiering sends the check to the buyer, and returns a file copy of the RW 16-29 (indicating the refund check date and number) to R/W Excess Land.
-
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CHAPTER 16

Excess Land Table of Contents

EXHIBITS

<u>Exhibit No.</u>	<u>Title</u>
16-EX-1	Reserved
16-EX-2	Notice of Intent to Sell Excess Land
16-EX-3	CTC Resolution G-91, Lease of Excess Property
16-EX-4	Offer to Sell or Lease Surplus Land
16-EX-5	Option Agreement - Access to Landlocked Excess Land
16-EX-6	CTC Resolution G-98-22, Procedure for Sale of Excess Property (Amending Resolution G-2 and Replacing Resolution G-97-12)
16-EX-7	Installment Contract for Sale of Real Property
16-EX-8	Section 9, Article XIX, State Constitution
16-EX-9	CTC Resolution G-3, Porter Bill Leases
16-EX-10	Request for Consideration, Porter Bill Lease
16-EX-11	Porter Bill Lease
16-EX-12	Instructions for Use of Porter Bill Lease Format
16-EX-13	Certification of Conformance, Porter Bill Lease
16-EX-14	Supplemental Data Sheet, Porter Bill Lease
16-EX-15	Agreement for Transfer of Control and Possession
16-EX-16	“Boiler Plate” for Deed of Trust
16-EX-17	Escrow Instructions
16-EX-18	Table of Income Limits SB 86
16-EX-19	Request for Copy of Tax Form – IRS SB 86
16-EX-20	Board of Equalization Letter to County Assessors SB 86
16-EX-21	Sample Notification for Newspapers SB 86
16-EX-22	Sample Newspaper Notification for Low and Moderate Income Households SB 86
16-EX-23	Excess Land Parcel File - Minimum Contents
16-EX-24	Decertification Process
16-EX-25	FHWA Concurrence Regarding Federal Excess Land Sale Proceeds Credits
16-EX-26	Excess Land Resumes

Memorandum

To :

Date:

File : Dist. Co. Rte.
Director's Deed No.

From : DEPARTMENT OF TRANSPORTATION

Subject : Notice of Intent to Sell Excess Land

The Department of Transportation intends to sell the above-referenced parcel during the month of _____, 19 ____.

Attached are maps showing the location and area of the parcel. The following facts pertain to the property:

1. Estimated Value:
2. Present Zoning:
3. Highest and Best Use:
4. Topography:
5. Improvements (if any):
6. Encumbrances: (Brief description or enclose title report)
7. Remarks: (Include access problems, utility availability, other State-owned property adjacent, etc.)

Please determine if any other State agency wishes to acquire this parcel. If so, they could contact _____ at CALNET No. _____ immediately.

If we do not hear from any other agency within 60 days of your receipt of this letter, the parcel will be sold as scheduled.

District Excess Land Manager

(Address)

CTC RESOLUTION G-91, LEASE OF EXCESS PROPERTY(Form #)

November 1, 1982

RESOLUTION NO. G-91

WHEREAS, Sections 118 and 118.6 of the Streets and Highways Code provide that whenever the Department determines that any real property or interest therein, heretofore or hereafter acquired by the State for transportation purposes, is no longer necessary for such purposes, the Department may sell, contract to sell, sell by trust deed, exchange or lease pending the sale or exchange of such real property or interest therein in the manner and upon the terms, standards and conditions established by the Commission; and

WHEREAS, Sections 54220 through 54227 of the Government Code provide that any agency of the state shall, prior to disposing of excess real property offer to lease such property to specified governmental agencies for park, recreational, open-space or low- and moderate-income housing purposes;

NOW, THEREFORE, BE IT RESOLVED, that the California Transportation Commission hereby authorizes the Department to enter into leases with public agencies without specific California Transportation Commission approval of each lease whenever;

- The Department finds that the lessee is a public entity as defined in Government Code Section 54222.
 - The Department finds that the lease will be for park, recreational, open-space or low- and moderate-income housing purposes.
 - The Department receives fair market rent for the property with adjustments yearly based upon the Consumer Price Index; and
 - The Department expeditiously offers the excess property for sale subject to such lease.
-
-

Dist. Co. Rte. _____

Director's Deed No. _____

The Department of Transportation hereby offers to sell or lease the surplus land shown on the attached map in accordance with the provisions of Sections 54220 through 54227 of the Government Code.

The following facts pertain to this land:

1. Size:
2. Present Zoning:
3. Highest and Best Use:
4. Topography:
5. Improvements (if any):
6. Encumbrances: (Brief description or enclose title report.)
7. Remarks: (Include access problems, utility availability, other State-owned property adjacent, etc.)

A. Sale at Fair Market Value or Lease Pending Sale at Fair Market Value

Any sale pursuant to the above-noted statutes will be at current appraised fair market value.

Any lease pursuant to these statutes will be at a lease rate which will enable subsequent sale, subject to the lease, for a price no less than the current appraised fair market value of the parcel as if it were unencumbered by any lease.

B. Notification of Intent to Purchase or Lease Surplus Land

Please notify the undersigned within sixty (60) days of your receipt of this notice if you intend to purchase or lease this surplus land.

If we do not hear from your agency within sixty (60) days, the surplus land will be disposed of in another manner.

C. Resale of Land for Development of Low- and Moderate-Income Housing

Government Code Section 54224 allows a local agency, housing authority or redevelopment agency to reconvey land purchased from the Department to a nonprofit or for-profit housing developer for development of low- and moderate-income housing.

D. Payment Period

Government Code Section 54225 allows the Department to provide for a payment period of up to twenty (20) years in any contract of sale or sale by trust deed as to:

1. Surplus land to be used for park, recreation, open-space purposes, or school purposes, and
2. Improved surplus land to be used for low- and moderate-income housing purposes.

Streets and Highways Code Section 118 allows the Department to provide for a payment period of up to forty (40) years in any contract of sale or sale by trust deed as to unimproved surplus land to be used for low- and moderate-income housing purposes.

E. Multiple Offers

In the event the Department receives offers for the purchase or lease of this surplus land from more than one entity, first priority shall be given to the entity which agrees to use the site for housing for persons and families of low- or moderate-income, except that first priority shall be given to an entity which agrees to use the site for park or recreational purposes if the land being offered is already being used and will continue to be used for park or recreational purposes, or if the land is designated for park and recreational use in the local general plan and will be developed for that purpose. (Government Code Section 54227.)

If a notice of intent to purchase or lease this surplus land is received within sixty (60) days of receipt of this letter, Caltrans will prepare an appraisal of the surplus land.

Upon completion of the appraisal, Caltrans will commence negotiations with your agency pursuant to Government Code Section 54223 regarding the sale or lease of the land. If the price or lease terms cannot be agreed upon after a sixty (60) day negotiations period, the Department may dispose of the land without further regard to Government Code Sections 54220 through 54227.

District Excess Land Manager

(Address)

OPTION AGREEMENT - ACCESS TO LANDLOCKED EXCESS LAND

(Form #)

This Agreement made and entered into by and between _____, hereinafter called Optionor, and the State of California, Department of Transportation, hereinafter called Optionee.

In consideration for the sum of _____ dollars (\$) paid to Optionor, the receipt of which is hereby acknowledged, Optionor hereby grants to Optionee or its assigns the exclusive right and option to purchase the following described real property in the County of _____, in the State of California, to wit:

(Insert Legal Description)

for the sum of _____ dollars (\$) _____, which shall be paid upon the delivery of a deed, as hereinafter provided.

Written notice exercising this option shall be given on or before _____, 19__, upon receipt of said notice and receipt of the sums herein provided, Optionor shall delivery to Optionee, or a mutually acceptable escrow agent, a Grant Deed to said real property.

_____ shall furnish a policy of title insurance of said real property.

All taxes, liens, or assessments shall be prorated between the parties to the date of delivery of the deed of conveyance.

All notices provided for herein shall be deemed to have been duly given if and when deposited in the United States mail, properly stamped and addressed to the party for whom intended at the party's above listed address, or when delivered personally to such party.

This contract shall be binding upon and shall inure to the benefit of the parties hereto and to their respective heirs, successors, or assigns.

It is understood, by and between the parties hereto, that the Optionee intends to assign this option to the purchaser of the landlocked State owned property which lies adjacent thereto, and that said purchaser shall have the right to exercise this option in accordance with the terms and conditions set forth herein.

Executed this _____ day of _____, 19__.

Optionor

Instructions:

1. Fill in name and address of the vested owner of the property over which the access will be obtained.
2. Insert the address of the District Office of Right of Way.
3. Insert the written amount of the total sum to be paid for the option only by the State, followed by the numerical amount.
4. Insert the County wherein the property is located.
5. A full description of the property optioned will be included, and will be exactly as proposed to be acquired. This description will be prepared by District Right of Way Engineering. It may also be attached as an exhibit by reference.
6. Insert the total amount to be paid by the optionee for the property being purchased, exclusive of the consideration paid by the State for the option itself. The written and numerical amounts will be included.
7. The number of days to exercise the option will be inserted here. Care should be taken to allow successful bidder (assignee of the option) sufficient time to exercise the option (usually no longer than 90 days, or variable with the main parcel's option period).
8. This period, usually 30 days, will allow the optionor to deposit a good and sufficient grant deed into escrow or to the optionee.
9. Insert either "optionor", "optionee", or its "assigns", as indicated by local real estate custom. In no way, however, will the State pay for these title fees.
10. At the time of execution of the option agreement by the optionor, the date should be filled in.

NOTE: This agreement assumes the conveyance of fee simple, unimproved properties for cash. Modification of the option agreement will be necessary if a different conveyance is contemplated.

CTC RESOLUTION G-98-22, PROCEDURE FOR SALE OF EXCESS PROPERTY (Amending Resolution G-2 and Replacing Resolution G-97-12)

(Form #)



CALIFORNIA TRANSPORTATION COMMISSION

Procedure for Sale of Excess Property

Resolution G-98-22

Section 2.5A Rescinded at October 28, 2004 CTC Meeting

Amending Resolution G-2

Replacing Resolution G-97-12

- 1.1 WHEREAS, Section 118 and Section 30410 of the Streets and Highways Code and Section 21636 of the Public Utilities Code provide that whenever the Department determines that any real property or interest therein, heretofore or hereafter acquired by the State for transportation purposes, is no longer necessary for such purposes, the Department may sell, contract to sell, sell by trust deed, or exchange such real property or interest therein in the manner and upon the terms, standards, and conditions established by the Commission; and
- 1.2 WHEREAS, the Department has acquired many parcels of real property which are of such size or shape as to give rise to a land use development not consistent with normal land use; and
- 1.3 WHEREAS, the Department has acquired many parcels of real property which would deprive the adjoining owner of access to a public highway; and
- 1.4 WHEREAS, the Department desires to offer the property no longer required for highway purposes to original owners still in occupancy; and
- 1.5 WHEREAS, the Department desires to sell excess real property directly to public agencies without calling for competitive bids.
- 2.1 THEREFORE BE IT RESOLVED, that in the disposal by sale of excess fee-owned, parcels, not needed pursuant to Section 118 and Section 30410 of the Streets and Highways Code and Section 21636 of the Public Utilities Code, the Department of Transportation is hereby authorized, upon the terms and conditions hereinafter set forth, to sell the excess parcel to the owner of adjoining property without the necessity of calling for competitive sealed bids or selling same at public auction, whenever the Department of Transportation finds and determines that the following facts either under Findings A or B exist pertaining to such excess parcel:
 - A. FINDING A:
 - 1. That the excess parcel is of such size or shape that it is below the average normal standard size and shape of other privately owned properties in the immediate neighborhood, and that if such parcel were sold to other than the adjoining owner, it would give rise to a land use development thereof which would be below and not consistent with the normal land use of such other properties in that neighborhood.

**CTC RESOLUTION G-98-22, PROCEDURE FOR SALE
OF EXCESS PROPERTY (Amending Resolution G-2 and
Replacing Resolution G-97-12) (Cont.)**

(Form #)

EXHIBIT
16-EX-6 (REV 8/2011)
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Delegation of Limited Approval of Director's Deeds
Resolution G-98-22

October 28, 1998
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2. That the sale of such parcel to a party other than the adjoining owner may cause an undue or unfair hardship to such adjoining owner in the normal land use development or operation of his property.
3. That such parcel considered as a part of the adjoining property would have a higher and better use than under separate ownership.
4. That the fair market value of such parcel considered as a part of the adjoining property would be higher than under separate ownership.

OR

B FINDING B:

- That the sale of such excess parcel to other than the adjoining owner would deprive such adjoining owner of an existing vested right of access to a public highway and thereby create a possible cause of action against the Department of Transportation.

In the event the adjoining owner refuses to purchase such excess parcel for such consideration, the Department of Transportation may sell same by calling for competitive sealed bids, or sell the property at public auction, except in those cases where sale to another party would deprive an adjoining owner of an existing vested right of access to a public highway (Finding B), in which latter case the State shall retain title to the excess parcel.

In cases where excess land qualifies under Finding A or B and the abutting owner is unable to pay the value of the subject property in one payment, then the abutting owner may be permitted to acquire property under an informal program payment arrangement, the period of time not to exceed 18 months, and in the event the prospective purchaser is unable to consummate the transaction, the money paid and held in the Department of Transportation's suspense account shall be refunded. This policy shall only apply to parcels qualifying under Finding A or B and shall be used only when no other alternative is available; and

- 2.2 THEREFORE BE IT FURTHER RESOLVED, that in the disposal of excess fee-owned parcels, pursuant to Sections 118 and 30410 of the Streets and Highways Code and Section 21636 of the Public Utilities Code, the Department of Transportation is hereby authorized to sell to public agencies at their request, without calling for competitive bids, at a price representing the fair market value thereof, and upon a determination that such intended use shall be for a public purpose; and

That this policy shall also apply to Transfers of Control and Possession of such property made to other State agencies pursuant to Section 14673 of the Government Code; and

- 2.3 THEREFORE BE IT FURTHER RESOLVED, that in all cases other than sales to adjoining owners, either under Finding A or B, or sales to public agencies, excess property shall be either sold by receipt of competitive sealed bids, or sale at public auction, or exchanged for other land required for transportation purposes; and
- 2.4 THEREFORE BE IT FURTHER RESOLVED, that the Department of Transportation is hereby authorized to offer to directly sell, at fair market value, any improved excess property to a former

**CTC RESOLUTION G-98-22, PROCEDURE FOR SALE
OF EXCESS PROPERTY (Amending Resolution G-2 and
Replacing Resolution G-97-12) (Cont.)**

(Form #)

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owner who has remained in occupancy; or to a residential tenant of a tenure of five years or more with all rent obligations current and paid in full; and

- 2.5 THEREFORE BE IT FURTHER RESOLVED, that the Department of Transportation is hereby authorized to approve on behalf of the Commission, the following:
- A. ~~All conveyances of excess property not capable of independent development with an estimated market value of \$100,000 or less, excepting any conveyance of access rights only.~~ **Section 2.5A Rescinded at October 28, 2004 Commission Meeting under Agenda Item 48, Reference # 4.7.**
 - B. All documents which correct descriptions in prior conveyances or acquisitions; and
- 2.6 THEREFORE BE IT FURTHER RESOLVED, that the Department of Transportation is hereby authorized to offer an option to purchase excess property with an option period of up to two years when the Department deems it to be in the best interests of the State; and
- 2.7 THEREFORE BE IT FURTHER RESOLVED, that the payment of brokers' commissions be allowed to licensed real estate brokers as an inducement for selling excess property; and
- 2.8 THEREFORE BE IT FURTHER RESOLVED, that the Department of Transportation is hereby authorized to approve on behalf of the Commission all conveyances of surplus properties purchased 100 percent with funds provided by local tax-measure agencies where the Department of Transportation is obligated by prior agreement to return sales proceeds to the tax-measure agency; and
- 2.9 THEREFORE BE IT FURTHER RESOLVED, that the Department will adhere to the following guidelines in implementing Sections 2.5, 2.6 and 2.7 of this Resolution:

For Section 2.5

1. Continue to submit for CTC approval all conveyances of access rights only.
2. Maintain internal reports and report annually to the CTC on approved items delegated under the amended Resolution.
3. Establish procedures for delegating to the districts and to assure an audit capability for delegated sales.
4. Continue to use standard appraisal practices and levels of review for appraisals of all excess land disposals.
5. Include language in the Director's Deed for conveying excess land (or to correct prior conveyances or acquisitions) under the amended Resolution, stating the Department has been delegated such prior approval authority by the CTC.

**CTC RESOLUTION G-98-22, PROCEDURE FOR SALE
OF EXCESS PROPERTY (Amending Resolution G-2 and
Replacing Resolution G-97-12) (Cont.)**

(Form #)

EXHIBIT

16-EX-6 (REV 8/2011)

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Delegation of Limited Approval of Director's Deeds
Resolution G-98-22

October 28, 1998
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For Sections 2.6 and 2.7:

1. Select properties for sale by broker participation which will all be of high value or specialized and of a type infrequently marketed by the State. Thus the process will fit the parameters of Government Code Section 19130(b); i.e., "cannot be performed satisfactorily by civil service employees."
 2. Have district staff prepare a marketing analysis and plan to show they will maximize the return from the proposed property disposal through the use of brokers or options to purchase. The Airspace Advisory Committee (AAC) will provide advice and assistance in developing marketing plans upon request of the Department.
 3. Obtain prior FHWA approval to use an option to purchase to assure approval of any federal reimbursement.
 4. Request AAC to review proposed "options to purchase" and any extensions.
 5. Obtain CTC approval at the time an optionee acquires an option to purchase; and
- 2.10 THEREFORE BE IT FURTHER RESOLVED, that Attachments 7, 8, 9, and 18 to the Commission Resolution Continuing Policies and Delegations adopted by the California Transportation Commission on March 9, 1978, are hereby rescinded; and
- 2.11 THEREFORE BE IT FURTHER RESOLVED, that CTC Resolution G-2 is hereby amended, and CTC Resolution G-97-12 is hereby replaced.

INSTALLMENT CONTRACT FOR SALE OF REAL PROPERTY

(Form #)

Dist.-Co.-Rte.-PM

THIS AGREEMENT, made and executed in triplicate this _____ day of _____, 19__, by and between the STATE OF CALIFORNIA, acting by and through the Department of Transportation, hereinafter called "State", and the _____, hereinafter called "Purchaser".

WITNESSETH:

WHEREAS, Purchaser desires to purchase the hereinafter described real property, and;

WHEREAS, The Director of the Department of Transportation has heretofore found and determined, and does hereby find and determine, in accordance with the provisions of Section 118 of the Streets and Highways Code, that the hereinafter described real property was acquired for State highway purposes and is no longer necessary for highway purposes and is not now being used for highway purposes, and that the disposition of said hereinafter described property is in the best interests of the State;

NOW, THEREFORE, in consideration of the covenants and agreements herein contained and the performance thereof, it is mutually agreed as follows:

1. The State agrees to sell to Purchaser, and Purchaser agrees to purchase from the State that certain real property situated in the County of _____ described as:

(Insert same legal description as will be used in the Director's Deed, including reservation of access rights.)

The premises are to be conveyed subject to:

- (a) Special assessments, if any, restrictions, easements of record.
- (b) (Insert other items, such as easements yet to be conveyed out by State, reservations of mineral rights, etc.)

2. Purchaser agrees to pay for the said real property to State the principal sum of _____ dollars, (\$) with interest thereon from the date hereof at the rate of _____ percent (____%); principal and interest to be due and payable in annual installments as follows:

(a) On the date hereof, the sum of _____ dollars, (\$) _____, and on the day preceding the first anniversary of the date hereof, and annually thereafter, the sum of _____ dollars, (\$) _____ to be applied on the principal and interest agreed to herein, on the day preceding the _____ anniversary of the date hereof the _____ (third, fifth, etc.)

balance of the principal with interest thereon unless sooner paid in accordance with the provision for additional payments stated below; all installments being payable in lawful money of the United States of America and shall be delivered to the Department of Transportation at Post Office Box _____, _____, California, _____.

(b) Each annual installment shall be credited first on interest then due and the remainder on principal so credited.

(c) Purchaser may make additional payments on the principal at any time before final installment, and interest shall thereupon cease upon said principal so credited.

(d) If Purchaser should default in the payment of any annual installment, or any part thereof, when due as herein provided, and such default should continue for thirty (30) days after notice thereof in writing to Purchaser, the whole of said purchase price shall at the option of the State become forthwith due and payable.

(e) It is understood and agreed that the term of this agreement shall not exceed _____ (____) years and the Purchaser shall make payment in full including principal and interest within that period.

3. Purchaser agrees to pay all taxes and assessments which are and which may be levied or assessed against said premises.

4. Purchaser shall promptly pay, when due, all water, electric, gas and other utility bills and charges accruing or payable in connection with said premises during the term of this agreement, and to save State harmless therefrom.

5. Purchaser shall promptly pay all indebtedness incurred by acts of the Purchaser on the property on which may become a lien on said premises.

6. Purchaser may occupy, or permit said premises to be occupied, for the following uses and purposes only, for a period of (____) years from the date hereof: For use as (describe intended use such as park, parking lot, storage yard, etc.). Purchaser shall not sell, lease, convey, assign or transfer said property for private use during said period.

7. Purchaser shall not commit, suffer or permit any waste on said premises or any acts to be done thereon in violation of any laws or ordinances, and shall not use or permit the use of said premises for any illegal or immoral purposes.

8. Purchaser agrees to keep said premises in good order and safe condition at Purchaser's own cost and expense and the Purchaser agrees that full inspection of said described premises has been made and that State does not make any covenant respecting the condition of any improvements on said premises or make any agreement for alterations, improvements or repairs.

9. Purchaser agrees to indemnify and save harmless the State, its officers, agents and employees against any and all loss, damage and liability which may be suffered or incurred by the State, its officers, agents and employees and against any and all claims, demands and causes of action that may be made or brought against the State, its officers, agents and employees caused by, arising out of, or in any way connected with the condition, use or occupancy of said premises by Purchaser, its assigns, licensees, permittees or invitees.

10. This agreement is not assignable in whole or in part, either by operation of law or otherwise, without the prior written consent of State; provided that Purchaser may permit other persons to use said premises only for the purposes hereinabove stated.

11. Purchaser may immediately enter upon said premises and remain thereon and use said premises as above provided so long as Purchaser shall fulfill and perform all the agreements herein on its part to be fulfilled and performed, and no longer; and if purchaser should, at any time hereafter, violate or neglect to fulfill any of said agreements or be in default herein in any respect, and such default should continue for thirty (30) days after notice thereof in writing to Purchaser, State shall have the right to declare this agreement terminated and may retain whatever may have been paid on said contract, including principal and interest, and all improvements that may have been placed on said premises, as and for rental for the use of said premises by Purchaser and State may consider and treat Purchaser as its tenant holding over without permission and may take immediate possession of the premises and remove Purchaser and its agents therefrom, and Purchaser shall be liable to State for any damages incurred therein. In case of any such termination, Purchaser hereby agrees, upon demand of State, to quietly and peaceably surrender to State the possession of said premises and every part thereof. State, at any time following such termination, may sell and convey the premises, or any portion thereof, free and clear of any rights by Purchaser in and to said premises or improvements thereon.

12. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, registered or certified and postage prepaid, and addressed as follows: To Purchaser at _____

_____ and to State at _____. The address to which the notices shall or may be mailed as aforesaid to either party, may be changed by written notice given by either party to the other as hereinbefore provided, but nothing herein contained shall preclude the giving of any notice by personal service.

13. It is agreed and understood that this agreement shall cancel and terminate any prior lease or rental agreement by and between the parties hereto covering said premises as of the date hereof.

14. This agreement is contingent on obtaining a resolution of the California Transportation Commission pursuant to Streets and Highways Code Section 118, approving and authorizing the manner, terms and conditions of this agreement.

15. The Purchaser agrees that upon the default of any of the conditions contained herein it will pay all costs and expenses that may arise from the enforcing of this agreement whether by suit or otherwise, including a reasonable attorney's fee.

16. The Purchaser agrees to resume all risk of damage to or loss of any improvements on said premises; that no such damage or loss shall constitute a failure of consideration.

17. After full performance by Purchaser of all terms and conditions herein and upon full payment of principal and interest by Purchaser and acceptance thereof by State, State shall deliver to Purchaser a Director's Deed to the above-described premises subject to the exceptions and reservations as hereinabove set forth, and this agreement shall terminate and be of no further force and effect. It is agreed that the deed is to be in the form of Exhibit "A" attached to this agreement and made a part hereof. It is hereby understood that the right, title and interest in the property to be conveyed by this agreement shall not exceed that vested in the State of California, and that no policy of title insurance will be furnished by the State in connection with this transaction.

18. This document contains the entire agreement of the parties hereto and no obligation other than those set forth herein will be recognized.

20. This agreement may be terminated, and the provisions thereof may be, in writing, altered, changed, modified or amended by mutual consent of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed in triplicate by their respective officers.

Purchaser

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

SECTION 9, ARTICLE XIX, STATE CONSTITUTION(Form #)

COASTAL ZONE INITIATIVE**9. Transfer of surplus state property; coastal zone**

Section 9. Notwithstanding any other provision of this Constitution, the Legislature, by statute, with respect to surplus state property acquired by the expenditure of tax revenues designated in Sections 1 and 2 and located in the coastal zone, may authorize the transfer of such property, for a consideration at least equal to the acquisition cost paid by the state to acquire the property, to the Department of Parks and Recreation for state park purposes, or to the Department of Fish and Game for the protection and preservation of fish and wildlife habitat, or to the Wildlife Conservation Board for purposes of the Wildlife Conservation Law of 1947, or to the State Coastal Conservancy for the preservation of agricultural lands.

As used in this section, "coastal zone" means "coastal zone" as defined by Section 30103 of the Public Resources Code as such zone is described on January 1, 1977. (Added November 7, 1978.)

Addition of this section, proposed by Assembly Constitution Amendment No. 71, 1977-78, was approved by the voters in the general election held November 7, 1978.

CTC RESOLUTION G-3, LEASE OF EXCESS PROPERTY FOR PARK PURPOSES TO LOCAL AGENCIES(Form #)

RESOLUTION NO. G-3

WHEREAS, Section 104.15 of the Streets and Highways Code provides that wherever land has been acquired pursuant to former Section 104.1 of the Streets and Highways Code or pursuant to Article 5 (commencing with Section 1240.410) of Chapter 3 of Title 7 of Part 3 of the Code of Civil Procedure, the Department of Transportation may, in its discretion, lease to a local agency for park purposes all or any portion of the remainder outside the boundary of the State highway or public work or improvement, but not beyond the next adjacent dedicated street, when such use will protect such highway, public work, or improvement and its environs, and will preserve its view, appearance, light, air and usefulness; and

WHEREAS, such lease shall be made in accordance with procedures, terms, and conditions to be prescribed by the California Transportation Commission;

NOW, THEREFORE BE IT RESOLVED that the California Transportation Commission finds it in the public interest to lease excess land to local agencies for park purposes provided that the terms and conditions for such lease include all of the following:

1. Provisions requiring the local agency to develop and maintain such portion of the remainder as a park.
2. Provisions that whenever such portion of the remainder is needed for State highway purposes, the lease shall terminate.
3. Provisions that whenever such portion of the remainder ceases to be used for park purposes, the lease shall terminate; and

BE IT FURTHER RESOLVED that the term of the lease shall be for a period of 50 years and only those excess parcels shall be leased where the fair rental value, taking into consideration the terms and conditions of the lease, substantially equals the value of the enhancement and benefit to the State highway in preserving its view, appearance, light, air, and usefulness. The rental rate shall be determined by taking into consideration the present value of the construction and maintenance of park improvements including any maintenance or landscaping costs undertaken by the Lessee within the State highway right of way which would otherwise be the obligation of the State; and

BE IT FURTHER RESOLVED that the Director of Transportation shall establish specific terms and conditions as deemed necessary and appropriate to protect the transportation facilities; and

BE IT FURTHER RESOLVED that Attachment 6 to the Commission Resolution Continuing Policies and Delegations adopted by the California Transportation Commission on March 9, 1978 is hereby rescinded.

REQUEST FOR CONSIDERATION, PORTER BILL LEASE

(Form #)

To : District Director
Attention Right of Way Office

Date:

File:

Dist.-Co.-Rte.P.M. _____
Parcel No. _____
Interstate No. _____
Location _____

From :

Subject : Request for Consideration of Lease of Excess Land Pursuant to Section 104.15 of the Streets and Highways Code

Request is hereby made to withhold from sale excess land outlined in red on the attached map upon the Department's preliminary finding that use of said property pursuant to the provisions of Section 104.15 of the Streets and Highways Code may provide commensurate benefits to the State highway preserving its view, appearance, light, air, and usefulness.

Upon approval of this request, we shall immediately proceed with preparation of a detailed plan and proposal in accordance with the Criteria, Terms, and Conditions of the California Transportation Commission for implementation of Section 104.15 of the Streets and Highways Code and submit said detailed plans and proposal within one year of the approval of this request.

It is understood that your approval of this request to withhold the excess from sale does not constitute approval of the proposal and that final determination shall be based upon approval from the Director of Transportation and the California Transportation Commission. (On Interstate Highways, final approval shall be subject to approval of participation by the Federal Highway Administration.)

It is our intention to use and develop the excess property in the following manner:

- Description of Proposed Improvement (Include Tentative Plot Plan)
- Estimated Cost of Development of the Portion Laying Within 200 Feet of the Nearest Boundary of the Public Work \$_____
- Proposed Method of Financing the Project

Approval of this preliminary request is respectfully requested.

(Applicant Agency)

By

(Title)

(Date)

PORTER BILL LEASE

(Form #)

**Lease for Park and Recreational Purposes
Pursuant to Section 104.15 of the Streets and Highways Code**

WHEREAS, The Legislature has enacted Section 104.15 of the Streets and Highways Code to authorize the Department to lease to local agencies for park purposes such portion of the remainder of property acquired pursuant to Section 104.15 not to exceed 200 feet from the closest boundary of the State highway or public work or improvement, when such use will protect such highway, public work or improvement and its environs, and will preserve its view, appearance, light and usefulness in accordance with conditions prescribed by the California Transportation Commission; and

WHEREAS, The California Transportation Commission has prescribed certain procedures, terms, and conditions for the leasing of such property; and

WHEREAS, the (local agency) intends to develop a park upon said property;

IT IS, THEREFORE, AGREED that the State of California and the (local agency) hereby enter into a leasehold containing the following terms and conditions:

LEASE covering premises in the City of (_____), County of (_____).

THIS INDENTURE OF LEASE, made and entered into and effective this ____ day of _____, 20__, by and between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, hereinafter called the LESSOR, and _____, hereinafter called the LESSEE:

WITNESSETH

That the Lessor, for and in consideration of the covenants, conditions, agreements, and stipulations hereinafter to be performed by the Lessee does hereby lease unto the said Lessee those certain premises situated in the City of _____, said land or interests [therein being shown on the map or plat attached hereto marked "Exhibit A," and by reference made a part hereof, and more particularly] described as follows:

[Description]

TO HAVE AND TO HOLD said premises, hereinafter called "the leased premises," together with appurtenances and easements belonging thereto for the term and on the conditions hereinafter set forth.

THE PARTIES HERETO COVENANT AND AGREE AS FOLLOWS:

1. TERM

The term of this lease shall be for a term of fifty (50) years beginning _____, and ending _____.

2. TERMINATION

This lease shall terminate upon the occurrence of any of the following events:

- (a) All or any portion of the leased premises is required for State highway or other public transportation purposes, PROVIDED HOWEVER, that when all or any portion of the leased property is required for Highway purposes, the Lessor shall provide 180 days' notice of termination;
- (b) All or any portion of the leased property ceases to be used for park purposes.
- (c) In the opinion of the Director of Transportation the property is not maintained in such a manner as to protect and enhance the highway or public works and its environs, PROVIDED HOWEVER, that the Lessor shall notify the Lessee that the Director has determined that the property is not so maintained, stating the reasons for such determination, and PROVIDED FURTHER, that Lessee shall have a reasonable time, not to exceed one hundred eighty (180) days, to remedy the conditions or defects which formed the basis for the Director's determination.

It is understood and agreed that upon termination of this lease for any reason, Lessor shall not be obligated to provide replacement lands or facilities or compensation in any manner for the part taken or the remainder of the leased premises, PROVIDED HOWEVER, that if the Lessee has purchased adjoining property in conjunction with this lease, and if said adjoining parcel remains in the ownership of Lessee and continues to be used in conjunction with the leased premises, and if this lease is terminated for the reasons stated in 2(a) above, Lessee shall be entitled to recover from the acquiring agency severance damages, if any, to the extent that said adjoining parcel is damaged.

2. TERMINATION (Alternate)

This lease shall terminate upon the occurrence of any of the following events:

- (a) All or any portion of the leased premises is required for State highway or other public transportation purposes, PROVIDED HOWEVER, that when all or any portion of the leased property is required for Highway purposes, the Lessor shall provide 180 days' notice of termination;
- (b) All or any portion of the leased property ceases to be used for park purposes.
- (c) In the opinion of the Director of Transportation the property is not maintained in such a manner as to protect and enhance the highway or public works and its environs, PROVIDED HOWEVER, that the Lessor shall notify the Lessee that the Director has determined that the property is not so maintained, stating the reasons for such determination, and PROVIDED FURTHER, that Lessee shall have a reasonable time, not to exceed one hundred eighty (180) days, to remedy the conditions or defects which formed the basis for the Director's determination.

It is understood and agreed that upon termination of this lease for any reason, Lessor shall not be obligated to provide replacement lands or facilities or compensation in any manner for the part taken or the remainder of the leased premises.

3. RENTAL

The Lessee agrees to pay Lessor as rent for the leased premises during the term the sum of _____ Dollars (\$_____), payable annually in advance to the Lessor at the Office of the State of California, Department of Transportation, at _____, California, commencing on the ____ day of _____, 20____, and on the ____ day of _____ each year thereafter.

4. IMPROVEMENTS, REPAIRS, MAINTENANCE AND USE OF THE PROPERTY

Lessee agrees to develop a park upon the leased premises and to commence construction of said park, as approved by Lessor, no later than _____, 20___, and to complete said construction on or before _____, 20___. In the event construction is not commenced and completed in the time set forth above, or if not prosecuted with reasonable diligence to completion, this lease may be terminated at Lessor's option.

The Lessee, prior to the construction of any improvements on the leased premises, shall furnish a description of the proposed facility, including:

- (a) Ten each - site plans and one duplicate tracing, at scale 1/20 inch to 1 foot on sheets 30 inch x 40 inch.
- (b) Ten each - architectural elevations and one duplicate tracing, at scale 1/8 inch to 1 foot on sheets 30 inch x 40 inch.
- (c) Specifications, including structural system, types of materials, exterior finishing, and landscaping.

All plans and specifications submitted by the Lessee to the Lessor shall be subject to the Lessor's review and approval, including but not limited to lighting facilities, and to means of ingress and egress to the property. Building improvements shall be limited to those included in the approved plan. No additional building improvements shall be allowed without prior written consent of the Lessor. All building improvements shall conform to local building codes and ordinances. All signs shall be subject to the prior approval of the Lessor. Any facilities constructed for the protection of the Lessor's facility shall be maintained in the conditions as approved in the plans.

Lessee further agrees that improvements constructed on the leased premises shall conform to approved plans and specifications referred to in Clause 4 - (a), (b), (c). It is further agreed and understood that the leased premises shall be used exclusively for park purposes, and the premises will not be used for other purposes or for purposes deemed by the Lessor to be a potential fire or other hazard to the highway facility. The operation and maintenance of leased premises shall be subject to regulations by the Lessor to protect against fire or other hazard impairing the use, safety and appearance of the highway. No change in use shall be permitted without the Lessee's first having obtained written approval from the Lessor. Lessee specifically understands that any change of use of the leased premises which is inconsistent with park purposes shall be considered as a material breach of this lease and the cause of forfeiture of the lease.

Lessee, at its sole cost and expense, shall comply with and faithfully observe in the construction and use of the premises the requirements of all Municipal, State, and Federal authorities now in force or which may hereinafter be in force pertaining to the leased premises.

Within ninety (90) days after completion of construction of the facilities, the Lessee shall furnish to the Lessor two sets of the plans and specifications used in said construction in detail, including the location of all underground and aboveground utility lines, as well as construction details.

The Lessee, at its own cost and expense, shall maintain the leased premises, including all buildings, structures, landscaping and improvements constructed thereon, and all driveways, fences, and guardrails heretofore, or hereafter erected in good repair at all times in an orderly, clean, safe, and sanitary condition in such a manner as to protect and enhance the abutting highway or public works and its environs and to preserve said highways' or public work's view, appearance, light, air, and usefulness, and otherwise in compliance with all requirements of law. A high standard of cleanliness consistent with the location of the area as an adjunct to the California highway system will be required. The Lessee shall take all steps necessary to effectively protect the fences and guardrails from damage incident to the Lessee's use of such land and improvements, all without expense to the Lessor. The Lessee shall be liable to and shall reimburse the Lessor within thirty (30) days after billing for any damage to said fences, guardrails, in any way resulting from or attributable to the use and occupancy of said premises by the Lessee or any person entering upon the same with the consent of the Lessee, expressed or implied. It is understood and agreed that the leased premises shall be used during the tenancy hereof exclusively for the purposes of a public park or uses compatible with such uses, including parking appurtenant to such park. No other use shall be permitted. Lessee shall not allow vehicle or equipment washing, fueling, maintenance or repair on the premises.

If all or any portion of the leased property is required for highway purposes and after written notice of termination is provided by Lessor, at its sole cost and expense, shall remove all building improvements within the highway right of way within 180 days of said notice of termination.

5. HAZARDOUS MATERIALS

Hazardous materials are those substances listed in California Code of Regulations, Title 22, Section 66261.126, Appendix X, or those which meet the toxicity, reactivity, corrosivity or flammability criteria of Article 11 of the above Code, as well as any other substance which poses a hazard to health or environment. Except as otherwise permitted in this Lease, Lessee shall not use, create, store or allow any such substances on the premises. Fuel stored in a motor vehicle for the exclusive use in such vehicle is excepted.

In no case shall Lessee cause or allow the deposit or disposal of any such substance on the leased property. However, household products necessary for routine cleaning and maintenance of the property may be kept on the leased premises in quantities reasonable for current needs.

Department, or its agents or contractors, shall at all times have the right to go upon and inspect the leased premises and the operations conducted thereon to assure compliance with the requirements herein stated. This inspection may include taking samples of substances and materials present for testing, and/or testing soils or underground tanks on the premises.

6. WATER POLLUTION CONTROL

Lessee shall not allow discharge of contaminated storm water runoff or unauthorized non-storm water discharges to private or public storm water drainage systems. Lessee shall comply with State and Federal water pollution control requirements, and those of municipalities, counties, drainage districts, and other local agencies regarding discharges of storm water and non-storm water to sewer systems, storm drain systems, or any watercourses under jurisdiction of the above agencies.

Lessee shall implement and maintain the best management practices (BMPs) shown in the attached Stormwater Pollution Prevention Fact Sheet for Parks and Recreation. Lessee shall identify any other potential sources of storm water and non-storm water pollution resulting from Lessee's activities on the premises, which are not addressed by the BMPs contained in the attached Fact Sheet, and shall implement additional BMPs to prevent pollution from those sources. Additional BMPs may be obtained from the Right-of-Way Property Management and Airspace Storm Water Guidance Manual (RW Storm Water Manual) available for review at the Department's District Right of Way office or online at: <http://www.dot.ca.gov/hq/row/rwstormwater/>. In the event of conflict between the attached Fact Sheet and this Lease, this Lease shall control.

Department, or its agents or contractors, shall at all times have the right to go upon and inspect the premises and the operations conducted thereon to assure compliance with the requirements herein stated. This inspection may include taking samples of substances and materials present for testing, and/or the testing of sewer systems, storm drains, or watercourses on the premises.

7. LIABILITY INSURANCE

This lease is made upon the express condition that Lessor is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes resulting from the operations and/or use of the premises by Lessee, his agents, customers and/or business invitees, Lessee hereby covenants and agrees to indemnify and save harmless Lessor from all liability, loss, cost and obligation on account of any such injuries or losses.

Lessee shall, at his own expense, take out and keep in force during the within tenancy, public liability insurance and property damage insurance in a company or companies to be approved by the Lessor, to protect the State of California, its officers, agents, and employees, as a named additional insured, against any liability to the public incident to the use of and resulting from injury to, or death of, any person or persons or property damage, including parked vehicles, occurring in, or about the demised premises, in the amount of not less than \$1,000,000, to indemnify against the claim of one or more persons resulting from any one accident.

Said policies shall inure to the contingent liabilities, if any, of the Lessor, and the officers, agents, and employees of Lessor when acting within the course and scope of their employment, in its capacity as Lessor, and shall obligate the insurance carriers to notify Lessor, in writing, not less than fifteen (15) days prior to the cancellation thereof, or any other material changes affecting the coverage of the policies. Lessee shall furnish to Lessor a certified copy of each and every such policy within not more than ten (10) days after the effective date of the policy. Lessee agrees that, if Lessee does not keep such insurance in full force and effect, Lessor may take out insurance and pay the premiums thereon, and the repayment thereof shall be deemed to be additional rental and payable as such on the next day upon which rent becomes due hereunder.

Prior to occupying the leased premises the Lessee, as a condition of the lease, must furnish certificates of insurance. Said certificates, in blank, will be furnished to Lessee by Lessor upon request.

This paragraph nor any part of this lease is intended to create any rights or claims on the part of any person or persons who may claim to be a third party beneficiary of this lease or on the part of any person or persons who are not a party to this lease.

The purpose of this paragraph is to protect the State of California, its officers, agents, and employees against liability for personal injury, death of any person or persons, as well as property damage arising by reason of its position of owner and Lessor of the real property in question.

It is understood that the Lessor specifically reserves the right to increase the amount of public liability or property damage insurance required under this lease to the amount for which the Lessor is self-insured if the Lessor's self-insured limits are raised above \$1,000,000. Upon thirty (30) days' written notice of a change in insurance requirements, Lessee must furnish additional certificates of insurance proving that it has complied with the new policy limits adopted by the Lessor.

7. LIABILITY INSURANCE (Alternate)

This lease is made upon the express condition that Lessor is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes resulting from the operations and/or use of the premises by Lessee, his agents, customers and/or business invitees, Lessee hereby covenants and agrees to indemnify and save harmless Lessor from all liability, loss, cost and obligation on account of any such injuries or losses.

The purpose of this paragraph is to protect the State of California, its officers, agents, and employees against liability for personal injury, death of any person or persons, as well as property damage arising by reason of its position of owner and Lessor of the real property in question.

8. TAXES OR ASSESSMENTS

It is understood and agreed that the Lessor shall not be liable for taxes or assessments of any nature whatsoever on the leased property and that Lessee will pay any such taxes or assessments should they arise.

9. CONDEMNATION CLAUSE

In the event it becomes necessary for the Lessor to acquire all or any portion of the leased premises for highway or other transportation uses, this lease may be terminated as provided in 2 above. The lessee specifically waives all defense to any condemnation action, PROVIDED HOWEVER, if the lease is terminated for other public transportation purposes that Lessee may claim compensation from the condemning authority based upon the value of its interest in the improvements constructed on the leased premises, in accordance with the laws of eminent domain.

10. DEFAULT BY LESSEE

Lessor shall exercise against Lessee any remedy which Lessor may have for breach of any covenant or agreement herein expressed only after Lessee has failed for a period of thirty (30) days after receipt of notice thereof to correct the condition of which complaint is made.

11. NOTICES

Any and all notices or demands by or from Lessor to Lessee, or Lessee to Lessor, shall be in writing. They shall be served either personally or by mail; service shall be conclusively deemed made at the time of service. If served by certified mail, service shall be conclusively deemed made forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the party to whom such notice or demand is to be given and the issuance of a receipt therefore. If served by telegraph, service shall be conclusively deemed made at the time the telegraph agency shall confirm to the sender delivery thereof to the addressee. Any notice or demand to Lessor may be given to Lessor at _____ or at such other place or places as shall be designated by Lessor from time to time. Any notice or demand to Lessee shall be given to Lessee at _____

12. SUBLEASES, ASSIGNMENTS, ASSIGNMENTS BY OPERATION OF LAW AND ENCUMBRANCES

The Lessee may not sublease or assign any portion of said lease to any person, without the prior written consent of Lessor.

The Lessee covenants that no lien or other encumbrance shall be placed upon the leased premises or the improvements located thereon which will defeat the right of the Lessor under the lease herein. The Lessee further agrees that any loan which is secured by a lien on the leased premises or the improvements located thereon shall be made expressly subject to the prior leasehold rights of the Lessor contained herein.

No holding over by Lessee shall operate to renew this lease without the written consent of the Lessor endorsed thereon.

13. WAIVER

The waiver by Lessor by any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same, or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be a waiver of any preceding breach by Lessee of any term, covenant or condition of this lease other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of preceding breach at the time of acceptance of such rental.

14. FAIR EMPLOYMENT PRACTICES

The Lessee, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree "as a covenant running with the land" that (1) no person, on the grounds of race, color, or national origin shall be excluded from participation in, be denied the benefits of, or otherwise subjected to discrimination in the use of said facilities, (2) that in connection with the construction of any improvements on said land and the furnishing of services thereon, no discrimination shall be practiced in the selection of employees and contractors, by contractors in the selection and retention of first-tier subcontractors, and by first-tier subcontractors in the selection and retention of second-tier subcontractors, (3) that such discrimination shall not be practiced against the public in their access to and use of the facilities and services provided for public accommodations (such as eating, sleeping, rest, recreation, and vehicle servicing) constructed or operated (on, over, or under) the space of the right of way, and (4) that the Lessee shall use the land in compliance with all other requirements imposed pursuant to Title 15, Code of Federal Regulations, Part 8 (15 CFR, Part 8) and as said Regulations may be amended. In the event of breach of any of the above nondiscrimination covenants, the Lessor shall have the right of termination of this lease, and to reenter and repossess said land and the facilities thereon, and hold the same as if said lease had never been made or issued.

15. TIME OF ESSENCE

Time is expressly made the essence of this lease.

IN WITNESS WHEREOF, the undersigned have executed this lease the day and year first above written.

**STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION**

By _____
LESSOR

By _____
LESSEE

**“Lease for Park and Recreational Purposes
Pursuant to Section 104.15 of the Streets and Highways Code”**

This form of lease is to be used in those cases involving only excess lands leased pursuant to Section 104.15. This format is not applicable to properties which constitute a combination of nonoperating right of way under the terms of the Marler-Johnson Highway-Park Act of 1969 and excess lands.

This lease format including Clauses 1 through 15 shall serve as a guideline for preparation of leases by the District. Note that Clause 2 dealing with termination and Clause 7 dealing with liability insurance contain optional clauses.

Instructions for use of lease format:

Preamble Clause –

This clause including exhibit map and description shall be used in all leases.

Clause 1 – Term

Due to the long term of the lease, commencement dates should be established at the first day of a month rather than a specific day within a monthly period. Commencement date should be left blank to allow for necessary action by the California Transportation Commission and is to be filled in after submission to the Director.

Clause 2 – Termination

Optional termination clauses are provided. These are identical except for the provision regarding severance damages to property purchased in connection with the lease premises. In those cases where the State requires the local agency to purchase adjoining property pursuant to the terms of the Act, the optional clause providing for severance damages in the event of termination shall be used. It is anticipated that in rare cases, modification of the termination clause used in conjunction with the leased premises may be requested. Such modifications shall be subject to the approval of the Division of Right of Way and the Director of Transportation. No modifications of Paragraphs A, B, or C will be permitted.

Clause 3 – Rental

Rent will normally be paid annually in advance. In very rare cases where the rental rate is high, provision may be made for monthly payments.

Clause 4 – Improvements, Repairs, Maintenance and Use of the Property

Dates to be used and this clause shall conform to the criteria established by the California Transportation Commission which requires commencement of construction within two years of approval of plans and completion of construction within three years of plan approval.

Clause 6 – Water Pollution Control

Attach the Stormwater Pollution Prevention Fact Sheet for Parks and Recreation to the lease. The Fact Sheet can be found in the Right-of-Way Property Management and Airspace Guidance Manual. It is also available on the Right of Way Storm Water Web site.

**INSTRUCTIONS FOR USE OF PORTER BILL
LEASE FORMAT (Cont.)**

(Form #)

EXHIBIT

16-EX-12 (REV 7/2007)

Page 2 of 2

Clause 7 – Liability Insurance

Optional clauses are provided for liability insurance. The long form requiring purchase of liability insurance in the amount of not less than \$1 million shall normally be used. However, in those cases where the local agency has substantial financial responsibility and already carries liability insurance in excess of \$1 million, the short form optional may be used.

Clause 14 – Fair Employment Practices

Shall be used in all leases as minimum requirements. In those cases where the local agency must adhere to stricter practices and if requested, by the local agency, these additional requirements may be included in the lease.

CERTIFICATION OF CONFORMANCE, PORTER BILL LEASE

(Form #)

This is to certify that the application of _____
(Name of Local Agency)
dated _____ for the development of park and recreational facilities on
excess parcel(s) _____ has been reviewed, and that the proposed
development conforms to the requirements of Streets and Highways Code Section 104.15.

Recommended for Approval:

District Porter Bill Review Committee

District Director or District Division Chief
Right of Way

I. Identification:

Dist.-Co.-Rte.-P.M. _____
Excess Parcel No. _____
Excess Category _____
Interstate No. _____

Location (Street(s)) _____
Applicant Agency _____

II. Physical Description:

- A. Parcel (total Excess Parcel) _____
- B. Area within 200 feet of the Public work _____
- C. Describe highway construction and year completed _____
- D. Topographic relationship of parcel to highway _____
- E. Discuss existing or proposed highway landscaping plan _____
- F. Distance from nearest traveled lane to excess _____
- G. Describe visibility of excess from highway _____
- H. Describe surrounding neighborhood use patterns and trends _____

III. Valuation Date : (Attach Appraisal)

- A. Date of Acquisition _____
- B. Cost of Acquisition of Entire Parcel \$ _____
- C. V.T.A. from RW 16-1 \$ _____
- D. F.M.V. of Entire Excess Parcel _____
- E. F.M.V. of the excess property: To be purchased by local agency \$ _____
- F. Estimated value of excess within 200 feet of highway facility \$ _____
- G. Present Zoning _____
- H. Highest and best use _____
- I. Describe excess improvements and their location:
- J. Describe effect of lease of 200 feet nearest highway improvement on salability or value of remaining excess and estimate dollar damage, if any:
- K. Describe any present or future plans or intentions for improvement of highway facilities which would affect proposed park improvements:
- L. Describe plans or expressed intentions for rapid transit or other public improvements at this location.

IV. District Recommendations:

- A. Describe significant potential benefits of park development:
- B. Describe potential dis-benefits of park development:
- C. Recommendation of District Director:

V. Exhibits:

- A. Maps-Area map showing location of the city. Parcel map showing total excess and area applied for.
- B. Photos-of parcel from freeway and freeway from parcel.

The above items constitute minimum data required and additional appropriate information should be included in a "Comments" section, if needed.

AGREEMENT FOR TRANSFER OF CONTROL AND POSSESSION OF STATE-OWNED REAL PROPERTY

(Form #)

This Agreement entered into this _____ day of _____ by and between the Department of Transportation, hereinafter called Transferor and the _____ called Transferee with the approval of the Director of General Services.

WITNESSETH:

WHEREAS, Transferor has control and possession of the hereinafter described real property, and

WHEREAS, Transferee desires to acquire control and possession of said real property and Transferor is willing to transfer said control and possession;

NOW, THEREFORE, pursuant to the provisions of Section 14673 of the Government Code of the State of California, Transferor hereby transfers unto Transferee and Transferee accepts the control and possession of the real property situated in the County of _____, State of California, described as follows:

(Here insert legal description, including reservation of access and other rights, if any.)

IN CONSIDERATION for said transfer, Transferee agrees to pay Transferor the sum of \$_____.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the date first above written.

**State of California
Department of Transportation**

(Transferee)

By _____

By _____

APPROVED:

Department of General Services

By _____

THIS INFORMATION IS TO BE SHOWN ON DEPARTMENT OF TRANSPORTATION ARCHIVE COPY ONLY.

APPROVAL RECOMMENDED

District Division Chief-Right of Way

DIVISION OF RIGHT OF WAY

By _____
Right of Way Agent

APPROVED AS TO FORM AND PROCEDURE:

By _____
Attorney

TO PROTECT THE SECURITY OF THIS DEED OF TRUST, TRUSTOR AGREES:

- (1) To keep said property in good condition and repair; not to remove or demolish any building thereon; to complete or restore promptly and in good and workmanlike manner any building which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished therefor; to comply with all laws affecting said property or requiring any alterations or improvements to be made thereon; not to commit or permit waste thereof; not to commit, suffer or permit any act upon said property in violation of law; to cultivate, irrigate, fertilize, fumigate, prune and do all other acts which from the character or use of said property may be reasonably necessary, the specific enumerations herein not excluding the general.
- (2) To provide, maintain and deliver to Beneficiary fire insurance satisfactory to and with loss payable to Beneficiary. The amount collected under any fire or other insurance policy may be applied by Beneficiary upon any indebtedness secured hereby and in such order as Beneficiary may determine, or at option of Beneficiary the entire amount so collected or any part thereof may be released to Trustor. Such application or release shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (3) To appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence of title and attorney's fees in a reasonable sum, in any such action or proceeding in which Beneficiary or Trustee may appear, and in any suit brought by Beneficiary to foreclose this Deed.
- (4) To pay: at least ten days before delinquency all taxes and assessments affecting said property, including assessments on appurtenant water stock; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; all costs, fees and expenses of this Trust.
Should Trustor fail to make any payment or to do any act as herein provided, then Beneficiary or Trustee, but without obligation so to do and without notice to or demand upon Trustor and without releasing Trustor from any obligation hereof; may: make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, pay, purchase, contest or compromise any encumbrance, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay reasonable attorney's fees.
- (5) To pay immediately and without demand all sums so expended by Beneficiary or Trustee, with interest from date of expenditure at the amount allowed by law in effect at the date hereof, and to pay for any statement provided for by law in effect at the date hereof regarding the obligation secured hereby any amount demanded by the Beneficiary not to exceed the maximum allowed by law at the time when said statement is demanded.
- (6) That any award of damage in connection with any condemnation for public use of or injury to said property or any part thereof is hereby assigned and shall be paid to Beneficiary who may apply or lease such monies received by him in the same manner and with the same effect as above provided for disposition of proceeds of fire or other insurance.
- (7) That by accepting payment of any sum secured hereby after its due date, Beneficiary does not waive the right either to require prompt payment when due of all other sums so secured or to declare default for failure so to pay.
- (8) That at any time or from time to time, without liability therefor and without notice, upon written request of Beneficiary and presentation of this Deed and said note for endorsement, and without affecting the personal liability of any person for payment of the indebtedness secured hereby, Trustee may: reconvey any part of said property; consent to the making of any map or plat thereof; join in granting any easement thereon; or join in any extension agreement or any agreement subordinating the lien or charge hereof.
- (9) That upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed and said note to Trustee for cancellation and retention and upon payment of its fees, Trustee shall reconvey, without warranty, the property then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in such reconveyance may be described as "the person or persons legally entitled thereto." Five years after issuance of such full reconveyance, Trustee may destroy said note and this Deed (unless directed in such request to retain them).

- (10) That as additional security, Trustor hereby gives to and confers upon Beneficiary the right, power and authority, during the continuance of these Trusts, to collect the rents, issues and profits of said property, reserving unto Trustor the right, prior to any default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, to collect and retain such rents, issues and profits as they become due and payable. Upon any such default, Beneficiary may at any time without notice, either in person, by agent, or by a receiver to be appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of said property or any part thereof, in Beneficiary's own name sue for or otherwise collect such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including reasonable attorney's fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine. The entering upon and taking possession of said property, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.
- (11) That upon default by Trustor in payment of any indebtedness secured hereby or in performance of any agreement hereunder, Beneficiary may declare all sums secured hereby immediately due and payable by delivery to Trustees of written declaration of default and demand for sale and of written notice of default and of election to cause to be sold said property, which notice Trustee shall cause to be filed for record. Beneficiary also shall deposit with Trustee this Deed, said note and all documents evidencing expenditures secured hereby.
- After the lapse of such time as may then be required by law following the recordation of said notice of default, and notice of sale having been given as then required by law, Trustee, without demand on Trustor, shall sell said property at the time and place fixed by it in said notice of sale, either as a whole or in separate parcels, and in such order as it may determine, at public auction to the highest bidder for cash in lawful money of the United State, payable at time of sale. Trustee may postpone sale of all or any portion of said property by public announcement at such time and place of sale, and from time to time thereafter may postpone such sale by public announcement at the time fixed by the preceding postponement. Trustee shall delivery to such purchaser its deed conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including Trustor, Trustee, or Beneficiary as hereinafter defined, may purchase at such sale.
- After deducting all costs, fees and expenses of Trustee and of this Trust, including cost of evidence of title in connection with sale, Trustee shall apply the proceeds of sale to payment of: All sums expended under the terms hereof, not then repaid, with accrued interest at the amount allowed by law in effect at the date hereof; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto.
- (12) Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time, by instruments in writing, substitute a successor or successors to any Trustee named herein or acting hereunder which instrument, executed by the Beneficiary and duly acknowledged and recorded in the office of the recorder of the county or counties where said property is situated, shall be conclusive proof of proper substitution of such successor Trustee or Trustees, who shall, without conveyance from the Trustee predecessor, succeed to all its title, estate, rights, powers and duties. Said instrument must contain the name of the original Trustor, Trustee and Beneficiary hereunder, the book and page where this Deed is recorded and the name and address of the new Trustee.
- (13) That this Deed applies to, inures to the benefit of, and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term Beneficiary shall mean the owner and holder, including pledges, of the note secured hereby, whether or not named as Beneficiary herein. In this Deed, whenever the context so requires, the singular number includes the plural.
- (14) That Trustees accept this Trust when this Deed, duly executed and acknowledged, is made a public record, as provided by law. Trustee is not obligated to notify any party hereto of pending sale under any other Deed of trust or of any action or proceeding in which Trustor, Beneficiary or Trustee shall be a party unless brought by Trustee.
-

ESCROW INSTRUCTIONS

(Form #)

Dist. _____ Co. _____ Rte. _____
DD# _____
Escrow # _____

Enclosed is fully executed Director's Deed _____ (Number) _____ which you are authorized to record when you hold the following:

- (1) The sum of \$ _____ which shall be payable on demand to the Department of Transportation.*
- (2) A fully executed Deed of Trust naming the State of California, acting by and through the Department of Transportation, as Beneficiary, _____, Trustor, and _____, Trustee.
- (3) A fully executed Promissory Note payable to the State of California, acting by and through the Department of Transportation in the amount of \$ _____ bearing interest on unpaid principal at the rate of _____% per annum payable in forty (40) equal quarterly installments, including principal and interest, commencing the _____ day of _____, 19___. Said note shall provide for a penalty of 5% of any payment which is paid more than ten days after its due date.
- (4) Fire insurance policy in the amount of \$ _____ naming the State of California, acting by and through the Department of Transportation, as coinsured.

No policy of title insurance or fees in connection therewith will be furnished or paid by the State.

Recording fees, documentary stamp taxes or other real estate transaction taxes or fees by whatever name known, including escrow fees or broker's commissions are to be paid by the grantee.

This escrow is to close, documents recorded, and funds paid to the Department of Transportation on or before _____.

* This amount should equal 30% of the parcel's purchase price less the amount deposited at the time of sale.

SAMPLE NEWSPAPER NOTIFICATION FOR LOW- AND MODERATE-INCOME HOUSEHOLDS

(Form #)

ATTENTION LOW- AND MODERATE-INCOME HOUSEHOLDS

The Department of Transportation is seeking prospective purchasers to participate in its Affordable Housing Resale Program.

State law has resulted in a number of single-family residences being sold by the Department of Transportation for prices which were affordable to the present occupants.

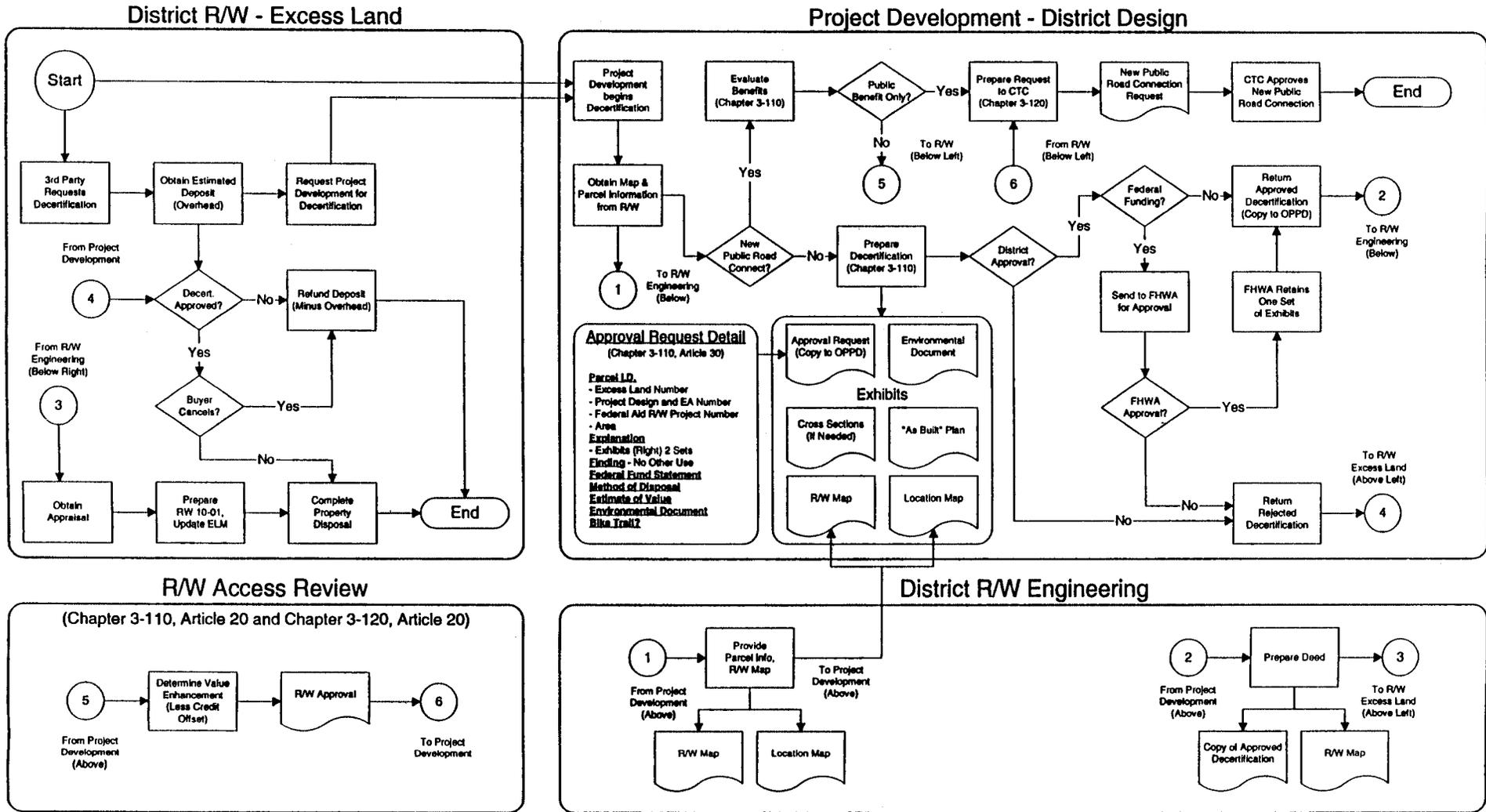
The ___ bedroom, ___ bath residence at _____ is now available for resale at an affordable price in the range of \$ _____ to \$ _____ to a household having a gross monthly income in the range of \$ _____ to \$ _____.

If you are interested in acquiring the above property at an affordable price, please contact the following individual before 4 p.m. on (date):

MINIMUM CONTENTS OF EXCESS LAND PARCEL FILE

1. The clearance circulation memorandum.
 2. Economic justification and hold authorization forms, where appropriate.
 3. A working copy of Form RW 16-1.
 4. A copy of the State's condemnation guarantee evidencing condition of title. (State's policy of title insurance.)
 5. Copies of correspondence to the Department of General Services and other State, Federal, and local agencies and replies thereto.
 6. A copy of the appraisal report and/or disposal value estimate.
 7. Written waivers from uninterested adjoining property owners if proposed sale is to be Finding "A" or "B".
 8. A current map of the excess parcel in sufficient detail to show any adjacent State-owned properties and if sale is to be other than public, the adjoining ownerships, and a clear delineation of the State's access restrictions.
 9. Documents and maps relating to significant design changes.
 10. Copy of any time payment contract.
 11. Fully completed parcel diary. (May be kept separately in Excess Land Section until file is closed.)
 12. Copy of deed, deed of trust, note and/or other instrument of conveyance. (If sold, each document must be fully conformed to the original.)
 13. Copies of any documents evidencing incorporation of the parcel within the right of way.
 14. One copy each of the sales notices, bid tally sheet and executed option agreement if parcel disposed of by public sale.
 15. Any authorizing memoranda or correspondence between the Districts, departments and/or Division of Right of Way. Also, include any authorizing memoranda from the District Division Chief, Right of Way, or District Director.
 16. Any correspondence or inquiries concerning the parcels which are necessary to the full understanding of the disposal transaction.
 17. TRAMS multipurpose posting tag, or other suitable sign-off record, to assure proper accounting of Federal charges and credits.
-
-

Decertification Process



**FHWA CONCURRENCE REGARDING FEDERAL EXCESS
LAND SALE PROCEEDS CREDITS**

(Form #)

EXHIBIT

16-EX-25 (4/2013)

Page 1 of 2

STATE OF CALIFORNIA—BUSINESS, TRANSPORTATION AND HOUSING AGENCY

GRAY DAVIS, Governor

DEPARTMENT OF TRANSPORTATION
ACCOUNTING SERVICE CENTER
P. O. BOX 168043 - SUITE - EX
SACRAMENTO, CA 95816-8043
PHONE (916) 227-9293
FAX (916) 227-9176



March 4, 1999

Mr. William O. Todd
Right of Way Officer
Federal Highway Administration
980 9th Street, Suite 400
Sacramento, CA 95814-2724

Dear Mr. Todd:

Public Law 105-178, the Transportation Equity Act for the 21st Century, Section 1303, provides that "the Federal Share of the net income from the revenues obtained by the State under subsection (a) shall be used by the State for projects eligible under this title". Caltrans desires to use the Federal share of the revenues on Title 23 projects and provides the following information:

1. The State Transportation Fund is a Special Revenue Fund used primarily for Title 23 Projects.
2. All the Federal share of revenue from sales and leases is deposited in this fund.
3. The amount expended by Caltrans for Title 23 projects exceeds \$2.5 billion annually.
4. The Federal share of the revenue from sales and leases is approximately \$6.6 million annually.

Therefore, since the amount of the revenue is substantially less than the amount of expenditures, Caltrans has met the intent of Public Law 105-178 and therefore will not be required to track and report the expenditures from these revenues by project.

If you have any questions regarding this matter, please call Andy Rosehill at (916) 227-9869.

Sincerely,

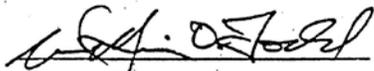
A handwritten signature in cursive script that reads "Maria H. Cornelius".

MARIA H. CORNELIUS, Chief
Office of Accounts Receivable
And Program Accounting

**FHWA CONCURRENCE REGARDING FEDERAL EXCESS
LAND SALE PROCEEDS CREDITS (Cont.)**
(Form #)

EXHIBIT
16-EX-25 (4/2013)
Page 2 of 2

I CONCUR:


WILLIAM O. TODD
Right of Way Officer
Federal Highway Administration

DATE: 3/8/99

c : ARosehill, ASC
 JPeterson, ASC
 AJDodd, ASC
 DShields, RWay
 DTeece, FHWA

EXCESS LAND RESUMES

(Form #)

State of California

Business, Transportation and Housing Agency

M e m o r a n d u m

To: DISTRICT DIRECTORS

Date: May 12, 1995

ATTENTION DISTRICT DIVISION CHIEFS
RIGHT OF WAY AND
EXCESS LAND MANAGERS

File No.: ASSET MANAGEMENT
(General)
ELM Ref File 95-4

From: DEPARTMENT OF TRANSPORTATION

Subject: Excess Land Resumes

We are streamlining the Excess Land Resumes submitted for California Transportation Commission (CTC) processing. To start, we are standardizing the resume format. In the past, resumes received in Headquarters (HQ), would be redone in a standardized format for submission to the CTC.

Starting with the July 1995 CTC Resumes, the Districts will be asked to send Resumes to HQ in formats No. I - IV (see attached). This package contains samples which will aid you in determining which format to use and what information you will need to provide on your resumes.

The use of standardized forms will reduce processing time and help streamline getting transactions on the CTC Agenda.

If you have any questions, please contact your Headquarters Asset Manager.


JAMES D. GARDNER, Chief
Asset Management Branch
Right of Way and
Asset Management Program

Attachments

cc: HQ Excess Land Managers

EXAMPLES OF EXCESS LAND RESUMES

● For All Resumes:

- Indicate "Parcel Type" (Inventory, Non-Inventory, and Non-Inventory Measure) (see Example - Item #1).
- Appraisal items of \$1,000.00 or less will show "Nominal" in the upper CTC part of the page. In the lower portion, show the actual appraisal amount if available (see Example - Items #2 & #3).
- For Decertification cases, fill out information required (see Example - Item #4).

I. Unimproved Parcel

- Public Sale

Note: If "Public Sales Estimate" used, show "PSE" instead of "Appraisal" on the Resume.

If previous sales, show "Sales History" (Sample 3)

1. Only Bid, First Sale (Sample 1)
2. Highest Bid, First Sale (Sample 2)
3. Only Bid, Fourth Sale, Sales History (Sample 3)

- Direct Sale

4. Finding "A". Only adjoining owner, at appraised value (Nominal) (Sample 4)
5. Finding "A". Only adjoining owner, at appraised value (Decertification) (Sample 5)
6. Finding "A". Multiple adjoining owners, highest price obtainable (Sample 6)
7. Finding "B" (Sample 7)
8. To Public Agency - Cooperative Agreement (Sample 8)
9. To Public Agency - At appraised value (Sample 9)
10. To Private Party (Not Finding "A" or "B") (Sample 10)
11. Exchange (Sample 11)
12. Access Rights Only (Sample 12)

- II. Improved Parcel - Can have same situations as Unimproved Parcel above, items 1 - 12 (Sample 13)

III. Easement (Regular or Utility)

1. Per Agreement - 100% State's Obligation, no monetary consideration (Sample 14)
2. Per Agreement - Monetary consideration (Sample 15)
3. Utility Easement - Per Utility Agreement (Sample 16)

● IV. Quitclaim - No monetary consideration (Sample 17 - 21)

Note: These examples are not exhaustive, but give some of the combinations of possible situations.

- Example -

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

<p>_____ Dist/Co/Rte/PM Parcel No. Convey to Information line</p>	<p>Location Area \$(Appraisal \$) #2</p>
---	---

<p>Cost: \$ Date Acquired: #3 Public Sale; Direct Sale Finding "A"; Direct Sale Finding "B" Direct Conveyance to public agency. Appraisal Dated: Date (Nominal = \$0.00)</p>	<p>Number of Parcels:</p>
---	---------------------------

Special Remarks:

<p>Exchange Cost of Parcel Acquired Less Credit for Excess Interest Payment Cash to Grantor</p>	
---	--

Sales History

	Date of Sale	No. of Bidders	Minimum Bid	Percent Appraised Value	Remarks
1.					
2.					
3.					

#4	Decertification?		(Y,N)		
	If "Y", Fed Funds?				-
	If Fed Funds.				-
	FHWA approved?				-

#1	Parcel Type:		(X) By One		
	Inventory				-
	Non-Inv				-
	NI-Measure				-

- Example -

- Format 2 -

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

_____ Dist/Co/Rte/PM
Parcel No.
Convey to
Information line

Location
Area
\$(Appraisal \$)

Cost: \$ _____ Number of Parcels: _____
Date Acquired: _____
Public Sale: Direct Sale Finding "A"; Direct Sale Finding "B"
Direct Conveyance to public agency.
Appraisal Dated: _____
Land _____
Improvements _____
Total _____

Special Remarks:

Exchange
Cost of Parcel Acquired
Less Credit for Excess
Interest Payment
Cash to Grantor

Sales History

	Date of Sale	No. of Bidders	Minimum Bid	Percent Appraised Value	Remarks
1.					
2.					
3.					

Decertification? (Y,N)
If "Y", Fed Funds? -
If Fed Funds, FHWA approved? -

Parcel Type: (X) By One
Inventory -
Non-Inv -
NI-Measure -

- Format 2 -

- Format 3 -

EXCESS LANDS TRANSACTION RESUME
(Utility Easement)/(Easement)

_____ Dist/Co/Rte/PM
Parcel No.
Convey to
Information line

Location
Area
\$(Appraisal \$)

Cost: \$
Date Acquired:
Direct Conveyance pursuant to Utility Agreement date.
Appraisal Dated:

Number of Parcels:

Special Remarks:

Decertification? (Y,N)
If "Y", Fed Funds? --
If Fed Funds,
FHWA approved? --

Parcel Type: (X) By One
Inventory --
Non-Inv --
NI-Measure --

- Format 3 -

EXCESS LAND RESUMES (Cont.)

(Form #)

EXHIBIT

16-EX-26 (7/2016)

Page 7 of 28

- Format 4 -

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

_____ Dist/Co/Rte/PM
Parcel No.
Convey to
Information line

Location
Area
\$(Appraisal \$)

Cost: \$
Date Acquired:
Appraisal Dated:

Number of Parcels:

Special Remarks:

Decertification? (Y,N)
If "Y", Fed Funds? -
If Fed Funds,
FHWA approved? -

Parcel Type: (X) By One
Inventory -
Non-Inv -
NI-Measure -

Format 4

- Sample 1 -

- I. 1. Public Sale
 - a. Only Bid
 - b. First Sale

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC

17 07-LA-105-17.7
 Parcel No. DD059935-01-01
 Convey to Q-Bin, Inc.
 Selling Price represents the only bid received at the first public sale.

Norwalk
 19,189 s.f.
\$81,711.00 (PSE \$101,600.00)

Cost: \$19,956.00
 Minimum Bid: \$76,000.00 (75% -)
 Number of Bidders: 1
 Date Acquired: 1972

Number of Parcels: 2

Public Sale Estimate (PSE) dated September 29, 1993 for \$101,600.00

Special Remarks:

Zoning is R-1, single family residential. Irregular in shape, has land area sufficient for a subdivision of two single family residential lots. Subject parcel is adjoining a sewer lift station housed in a garage type of structure that has minimal visual impact.

Sold for \$81,711.00 (about 80% of PSE)

- Sample 1 -

- Sample 2 -

- I. 2. Public Sale
 - a. Highest Bid
 - b. First Sale

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC

<u>19</u> 07-LA-105-18.1	Norwalk
Parcel No. DD063563-01-01	18,179 s.f.
Convey to Eurila Enterprises, Inc.	\$165,150.00 (PSE \$195,000.00)

Selling Price represents the highest bid received at the first public sale.

Cost: \$60,507.00
Minimum Bid: \$146,000.00
Number of Bidders: 3
Date Acquired: 1971, 1972, 1973, 1982

Number of Parcels: 5

Public Sale Estimate (PSE) dated April 18, 1994.

Special Remarks:

Zoning is R-1, single family residential. Lot is irregular in shape, but has land area sufficient for a subdivision of three single family residential lots. Sold for \$165,50.00 or approximately 85% of the PSE.

- Sample 3 -

- I. 3. Public Sale
 - a. Only Bid
 - b. (Fourth) Sale
 - c. Sales History

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC AGENDA

<p><u>22</u> 07-Ven-101-13.8 Parcel No. DD000054-01-01 Convey to Bijan Paymard Selling Price represents the only bid received at the fourth public sale.</p>	<p>Camarillo 83,012 s.f. \$475,000.00 (PSE \$887,500.00)</p>
--	--

<p>Cost: \$96,016.00 Minimum Bid: \$475,000.00 Number of Bidders: 1 Date Acquired: 1952, 1953, 1957, 1984, 1991</p>	<p>Number of Parcels: 6</p>
---	-----------------------------

Public Sale (PSE) dated October 31, 1991.

Special Remarks:

The parcel is currently unzoned and not included in the city's General Plan. A new owner must submit an application to include this parcel in the General Plan and apply for a specific zoning. Viable uses include agricultural, residential, light manufacturing and commercial. The highest and best use of this vacant parcel is CPD (Commercial Planned Development).

This 1991 appraisal was at \$997,236 less the cost to hold the property while obtaining inclusion in the General Plan and CPD rezoning. this holding period was estimated at one year at a cost of 10% of the land value or \$99,723.60 plus \$4,000 legal fees plus \$6,000 plan preparation costs; or a total cost to rezone of \$109,723.60. The Net Value was thus \$887,500 rounded.

	Date of Sale	No. of Bidders	Minimum Bid	Percent Appraised Value	Remarks
1.	02-15-94	None	\$665,600	75%	No Sale
2.	04-26-94	None	\$533,000	60%	No Sale
3.	07-05-94	None	\$533,000	60%	No Sale
4.	09-27-94	1	\$475,000	54%	Sold for \$475,000 (54% of PSE)

- Sample 3 -

- Sample 4 -

- I. 4. Finding "A"
 - a. Only adjoining owner
 - b. At "Nominal" appraisal value
(1,000 or less for CTC)

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC AGENDA

<p><u>18</u> 07-LA-105-4.7 Parcel No. DD061429-01-01 Convey to Albert M. League Finding "A". Selling Price represents appraised value received from only adjoining owner.</p>	<p>Inglewood 3,360 s.f. \$550.00 (Appraisal Nominal)</p>
---	--

Cost: \$7,224.00
Date Acquired: 1973

Number of Parcels: 1

Appraisal Dated: August 8, 1994 (Nominal = \$550.00)

Special Remarks:

The parcel is zoned R-3 (multiple family) but is below the 12,000 s.f. minimum required to be legally developable. Its highest and best use is plottage to the adjoining ownership.

Sample 4

- Sample 5 -

- I. 5. Finding "A"
 - a. Only adjoining owner
 - b. At appraisal value
 - c. Decertification

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC AGENDA

<u>10</u> 05-SLO-46-8.35	San Luis Obispo
Parcel No. DD001831-02-01	0.72 acre
Convey to Douglas C. Filippini	\$4,300.00 (Appraisal \$4,300.00)
Finding "A". Selling Price represents the appraised value received from only adjoining owner.	

Cost: \$260.00	Number of Parcels: 1
Date Acquired: 1972	
Direct Sale Finding "A"	
Appraisal Dated: September 1994	

Special Remarks:

Due to the size, shape and local regulations, there is no economic use other than as plottage to the adjoining property. As an individual property the excess is not developable. It is zoned agriculture and its present use is for cattle grazing.

Decertification? Yes	FHWA Approval? N/A
----------------------	--------------------

- Sample 6 -

- I. 6. Finding "A"
 - a. Multiple adjoining owners
 - b. Highest price obtainable

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC AGENDA

09 04-Son-101-54.5
 Parcel No. DD028694-01-01
 Convey to C. A. Wall
 Finding "A". Selling Price represents the highest price obtainable from two of the three adjoining owners.

Preston
 51.76 acres
 \$20,188.00 (Appraisal \$25,880.00)

Cost: \$51,760.00
 Date Acquired: 1988
 Appraisal Dated: May 1993

Number of Parcels: 1

Special Remarks:

The \$25,880 appraisal is based on \$500/acre for 51.76 acres whereas the area of this parcel according to a survey paid for the purchasers showed 50.47 acres. The revised area has been concurred in by district R/W Engineering. Therefore, the selling price is based on 50.47 acres at \$400/acre which was approved by Headquarters on October 5, 1993.

The excess parcel is landlocked, steeply terrained, and heavily timbered; development will be difficult. Its best use is as plottage for the parcel adjoining to the south. The combination of the excess with the 124± acre parcel will create a parcel of about 175 acres, a parcel well in excess of the minimum required for subdivision into two legal parcels. The adjoining parcel is zoned as agricultural preserve with a minimum lot size of 60 acres.

- Sample 7 -

I. 7. Finding "B"

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC AGENDA

<u>30</u> 10-Sol-60-9,70	East of Vallejo
Parcel No. DE009915-02-02	0.32 acre
Convey to Solano County Farmlands	\$0.00 (Appraisal N/A)
Finding "B". No monetary consideration. This easement restores legal access to adjoining owner.	

Cost: \$240.00
Date Acquired: 1969
Appraisal Dated: N/A

Number of Parcels: 1

Special Remarks:

This easement deed will replace access right which should have been reserved to the Grantors at the time of the state's acquisition in 1969 of 17.83 acres fee property for a disposal site.

Prior to this 1969 acquisition, the Grantor obtained access to his 696 acres property by a private road, Lynch Road, connected through an undercrossing to a frontage road on the opposite site of Highway 80.

As a result of a pending sale, it has recently been discovered that the description of the state's property inadvertently included a portion of relocated Lynch Road between the Grantor's remainder and the freeway undercrossing location. (The state had relocated this short portion of the road during freeway construction.) No provision was made to perpetuate the Grantor's legal access over the 230' of Lynch Road from the freeway right of way to their remainder. This unintentional lack of an access easement severs the legal access the state originally provided for in a previous 1967 acquisition from this same owner.

Conveyance of this nonexclusive access easement includes only the existing private road and suitable right of way. There is no negative effect on the use of the adjoining state's 17.83 acres materials disposal site or any possible future use of this site should it become excess land.

Since this transaction is required as a result of an oversight on the state's part at the time of the 1969 acquisition, no monetary consideration will be required of the Grantees and the state will assume processing costs.

Failure by the state to restore this vested right of access to a public highway could create a possible cause of action against the department.

- Sample 8 -

I. 8. Direct Sale to Public Agency
(Cooperative Agreement)

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

JUNE 1994 CTC AGENDA

31 12-Ora-55-29.2
Parcel No. DD072846-03-01
Convey to Tustin Unified School District
No monetary consideration. Conveyance is 100 percent state obligation pursuant to Cooperative Agreement dated March 15, 1991.

Tustin
1.222 acres
N/A (Appraisal N/A)

Cost: N/A
Date Acquired: 1991
Appraisal Dated: N/A

Number of Parcels: 1

Special Remarks:

This is a "functional replacement" of land previously acquired by the state from the Tustin Unified School District. The use (or "function") of this parcel is to replace parking facilities lost to the high school when Caltrans acquired school property for our right of way needs.

The state agreed in the "Functional Replacement of a portion of Tustin High School" agreement to provide the above parcel at no cost to the school district in exchange for property acquired by the state from the school district. No transfer of functions is involved in this replacement.

Cost of Parcel Acquired: \$1,916,169.96
Credit of Replacement Site: -1,916,169.96
Cash to Grantor 0.00

- Sample 8 -

- Sample 9 -

- I. 9. Direct Sale to Public Agency
(At appraised value)

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

JULY 1994 CTC AGENDA

<u>07</u> 04-Son-101-29.4	Windsor
Parcel No. DD019397-01-01	0.393 acres
Convey to Town of Windsor	\$1,000.00 (Appraisal Nominal)

Selling Price represents the appraised value received from sale to Public Agency.

Cost: \$1,966.00
 Date Acquired: 1960
 Direct Conveyance to public agency - deed includes 15-year reversion clause.
 Appraisal Dated: December 1993 (Nominal = \$1,000.00)

Special Remarks:

In 1991, the county of Sonoma needed to purchase this piece of excess land in order to build a culvert on the site. The county built the culvert but failed to purchase the property. Subsequently, the ownership and maintenance of the culvert was transferred to the town of Windsor. In recognition of the obligation to purchase the property as well as the anticipation of a future project that may impact the parcel, the town offered to purchase the property at the appraised value.

The excess is a long and narrow triangular-shaped parcel. It is zone C2, Retail Business and Service District. There is no access which will allow the parcel to be developed; therefore, the highest and best use for the parcel is as open space.

- Sample 9 -

- Sample 10 -

I. 10. Direct Sale to Private Party
(Not "A" or "B")

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

JULY 1994 CTC AGENDA

<u>09</u> 06-Ker-204-6.46	Bakersfield
Parcel No. DD081219-01-01	0.022 acre
Convey to Richard S. Burton	\$0.00 (Appraisal N/A)
No monetary consideration. Conveyance is pursuant to Right of Way Contract Amendment dated March 17, 1994.	

Cost: \$3,824.00
Date Acquired: 1992
Appraisal Dated: N/A

Number of Parcels: 1

Special Remarks:

Parcel was acquired for construction of a soundwall. Subsequent to acquisition, arrangements were made for the grantor's lessee to construct a blockwall. State, therefore, has no need for the parcel and pursuant to the Amendment to the Right of Way Contract that eliminates the state's obligation to construct the soundwall, the parcel is being conveyed back to the grantors to relieve the state of any further responsibility or liability.

R/W Decertification:	No	Design Change:	No
Fed. Reimbursement?	No		

- Sample 11 -

- I. 11. Exchange
(Fill out exchange information
under "Special Remarks")

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

NOVEMBER/DECEMBER 1994 CTC MEETING

<p><u>29</u> 08-SBd-330-30.0 Parcel No. DDA03627-01-01 DDA03627-02-01 Convey to Stubblefield Construction Company Credit received represents appraised value of parcels being exchanged pursuant to Right of Way Contract dated September 28, 1994.</p>	<p style="text-align: right;">San Bernardino 13.65 acres \$151,500.00 (Appraisal \$151,000.00)</p>
---	---

<p>Cost: \$69.00 Date Acquired: 1946 Exchange pursuant to R/W Contract dated 9-18-94 Appraisal Dated: June 1991</p>	<p>Number of Parcels: 3</p>
---	-----------------------------

Special Remarks:

Exchange	
Cost of Parcel Acquired	\$208,066.10
Less Credit for Excess	-151,500.00
Interest Payment	<u>43,961.90</u>
Cash to Grantor	\$100,528.00

DDA03627-01-01 is a combination of two excess parcels containing approximately 9.847 acres and is located on the west side of Route 330 about one mile north of Highland Avenue. The adjoining property to which this excess will plot contains 34+ acres. Only the approximate southerly one-third of this adjoining property is developed and this is to a high quality mobile home park. The excess is roughly 800 ± feet north of the developed portion of the property and that undeveloped area consists of rough, hilly terrain like the subject. The unimproved portion of the adjoining property is estimated to have the same market value as the excess to which it plots (\$15,000/acre). The zoning is "RL", Low Density Residential Estates, with minimum lot size of 10,800 s.f. The excess is in mountainous terrain and will be difficult to develop. It is contiguous to the San Andreas fault and is subject to soil instability.

DDA03627-02-01 consists of an unimproved, long and narrow shaped parcel containing approximately 4.160 acres. It is located just northerly of Highland Avenue as Route 330 begins its ascent into the mountains. The parcel is in a flood plain contiguous to the San Andreas fault. It is also encumbered by multiple permanent easements making development very difficult. The highest and best use of the property is considered to be as plottage to the adjoining southerly private ownership.

Sample 11

- Sample 12 -

I. 12. Access Rights Only

EXCESS LANDS TRANSACTION RESUME
(Unimproved Parcel)

APRIL 1994 CTC AGENDA

<u>08</u> 04-SM-84-27.7	Menlo Park
Parcel No. DD045670-X2-XX	Access Rights only
Convey to Sun Microsystems, Inc.	\$15,000.00 (Appraisal \$15,000.00)
Selling Price represents appraised value of widened access rights being conveyed to facilitate a traffic safety project between San Mateo County traffic Authority, the city of Menlo Park and Caltrans; pursuant to a Cooperative Agreement dated April 13, 1993.	

Cost: \$0.00
Date Acquired: 1993
Appraisal Dated: March 24, 1994

Number of Parcels: 1

Special Remarks:

Sun Microsystems owns the adjoining 57.3 acres zoned M-2. they have completed the first phase of a 1,036.00 s.f. office/R&D facility under an approved development plan.

Currently, Sun has a 60' access opening onto the Bayfront Expressway (84). They wish to acquire an additional 57 linear feet at the entrance at Willow to conform with the new intersection of Willow and Highway 84. This will widen the 60' opening to about 80'. This added access allows more traffic lanes to and from the site which will decrease the backup to Highway 84, thereby, improving traffic safety. This is in accordance with Cooperative Agreement No. 4-1441-C dated April 13, 1993.

This added access does not contribute any measurable development units to the site, but saves Sun time and money in being able to utilize submitted development plans and already constructed access improvements. This saving is valued at \$15,000.00.

These access rights only are to be decertified; no federal participation is involved.

- Sample 12 -

- Sample 13 -

II. Improved Parcel
(Shows "Land, Improvements, Total")

EXCESS LANDS TRANSACTION RESUME
(Improved Parcel)

APRIL 1994 CTC AGENDA

24 12-Ora-5-28.8 Tustin
 Parcel No. DD072856-01-01 7,654 s.f.
 Convey to L. J. Trust, a Living Trust \$192,000.00 (PSE \$215,000.00)
 Selling Price represents the highest bid received at third public sale.

Cost: \$383,752.00 Number of Parcels: 2
 Minimum Bid: \$125,000.00
 Number of Bidders: 3 (Bids from \$125,000.00 to \$192,000.00)
 Date Acquired: 1988 and 1989

Public Sale Estimate Dated: January 21, 1992
 Land \$135,000.00
 Improvements 80,000.00
 Total \$215,000.00

This is a four-plex (zoned R-3). A buyer must re-position the existing garages and provide access from Pinebrook Street. New garages must be built to meet city standards, possibly at a loss of one or two of these units. A zone variance by the city.

	Date of Sale	No. of Bidders	Percent Minimum Bid	Appraised Value	Remarks
1.	05-07-92	None	\$161,250.00	75%	Buyers Defaulted
2.	07-13-93	None	\$161,000.00	75%	No Sale
3.	03-08-94	3	\$192,000.00	89%	Sold for \$192,000 (89% of PSE)

Prior to the Third Sale, District staff met with city representatives to discuss ways to re-market this property and to schedule a Public Auction on March 8, 1994. This parcel was offered and about 20 persons were present.

- Sample 14 -

III. 1. Easement per Agreement
(100% State's Obligation)

EXCESS LANDS TRANSACTION RESUME
(Easement)

FEBRUARY 1995 CTC AGENDA

<u>06</u> 02-Sha-L5729	Redding
Parcel No. DE001599-01-03	0.02 acre
Convey to City of Redding	\$0.00 (Appraisal N/A)
No monetary consideration. Conveyance is 100 percent state's obligation pursuant to Agreement dated December 28, 1994.	

Cost: N/A

Number of Parcels: 1

Date Acquired: 1985
Direct Conveyance pursuant to Agreement dated December 28, 1994.

Special Remarks:

Easement required for City of Redding to provide electrical power service to state's maintenance facility located at George Drive. the installation of the electrical service has previously been completed.

- Sample 14 -

- Sample 15 -

III. 2. Easement per Agreement
(Monetary Consideration)

EXCESS LANDS TRANSACTION RESUME
(Easement)

JANUARY 1995 CTC AGENDA

04-CC-580-4.7	Richmond
Parcel No. DE044972-01-03	3,901 s.f. pipeline easement
Convey to The BOC Group, Inc., a Delaware Corporation	\$79,700.00 (Appraisal \$79,700.00)

Selling Price represents the appraised value of an easement for pipeline purposes being conveyed pursuant to Right of Way Contract dated April 25, 1989.

Cost: N/A	Number of Parcels: 2
Date Acquired: 1989	
Direct Conveyance pursuant to R/W Contract dated April 25, 1989	
Appraisal Dated: January 1994	

Special Remarks:

At the time Caltrans acquired Parcel 44972 consisting of approximately 3 acres, a CO² pipeline facility encumbered the area in the right of way under the terms of a lease agreement which expired in early 1994. In order to avoid paying cost-to-cure or excessive damages, the state relocated the pipeline onto the excess to perpetuate the use of the pipeline. Rather than renewing the lease for another 15 years, the district agreed to convey an easement to BOC at market value. The excess was sold about a year ago and the state reserved an easement for the pipeline which is now being conveyed to the BOC Group.

- Sample 16 -

III. 3. Utility Easement
(Show as "Utility Easement" on Resume)

EXCESS LANDS TRANSACTION RESUME
(Utility Easement)

NOVEMBER/DECEMBER 1994 CTC AGENDA

03 03-Pla-80-18.2 Auburn
Parcel No. DE024441-01-01 .978 acre
Convey to Placer County Water Agency \$0.00 (Appraisal N/A)
No monetary consideration. Conveyance is 100% state's obligation pursuant to Utility Agreement dated
September 12, 1986.

Cost: \$93,255.00
Date Acquired: 1986

Number of Parcels: 1

Special Remarks:

Direct Conveyance pursuant to Utility Agreement No. 1842.5-B dated September 12, 1986.

- Sample 17 -

IV. 1. Quitclaim per Agreement

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

JULY 1994 CTC AGENDA

08 06-Ker-58-26.5

Parcel No. DK081094-01-01

Convey to Buena Vista Water Storage District

No monetary consideration. Conveyance is 100 percent state's obligation pursuant to Utility Agreement dated July 10, 1990, as amended April 18, 1994.

Buttonwillow

0.416 acre (4 non-exclusive access easements)

\$0.00 (Appraisal N/A)

Cost: \$1,504.00

Number of Parcels: 4

Date Acquired: 1990

Direct Conveyance pursuant to Utility Agreement No. 6-831.31 dated July 10, 1990 and amended April 18, 1994.

Special Remarks:

Conveyance of easements are required to replace Water Storage district with access from the state highway to levees along the Eighty Foot Canal, Corn Camp Canal and Parallel Drain Canal interrupted by state's highway bridge and guardrail construction.

According to Roland Swirsky, because the Quitclaim refers to the document by which we acquired the "non-exclusive" easement there are no uncertainties about what we are transferring and the Water Storage District should have no problem with this form of conveyance. The Quitclaim takes Caltrans totally out of the picture since we are conveying all right, title and interest. On the other hand, if Caltrans were to convey an non-exclusive easement, would Caltrans still have an interest in the property?

- Sample 17 -

- Sample 18 -

IV. 2. Quitclaim

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

NOVEMBER/DECEMBER 1994 CTC AGENDA

30 09-Ker-14-16.0

Mojave

Parcel No. DK000432-01-01

4.408 s.f.

Convey to Foodmaker Incorporated

\$0.00 (Appraisal Nominal)

No monetary consideration. In exchange for quitclaiming this improved drainage easement, the state is receiving two adjoining drainage easements at no cost. This will allow Foodmaker, Inc. to reroute this storm drain culvert, at their cost and at no harm to its function, so they can construct a new restaurant.

Cost: \$0.00 (Donated)

Number of Parcels: 1

Date Acquired: 1956

Appraisal Dated: November 10, 1994 (Nominal = \$0.00). This is an even exchange.

Special Remarks:

Foodmaker Inc. would like to construct a "Jack In The Box" restaurant on their property next to parcel 000432-01-01 where we own a right for drainage easement. To aid in the construction of their facility we are quitclaiming the above improved drainage easement of about 0.10 acres and receiving, at no cost, two drainage easement parcels, 2903-1 and 2904-1, with a combined area of 0.13 acres from DSL Service Company and Catellus Development Corporation respectively. The conveyance to the state of these two drainage easement located to the west of the above parcel allows the re-routing of our present drainage easement.

The "exchange" of the above parcel for the two parcels conveyed to the state allows Foodmaker to re-route the storm drain culvert, at their cost and to Caltrans specifications, and construct restaurant. this re-routing is a small alteration to the course of the drainage easement and does not harm its function according to a October 26, 1994 memo from Truman P. Denio, Caltrans Hydraulics Engineer.

The exchange between the two drainage easements 2903-1 and 2904-1 and the above parcel is essentially an even exchange. The 0.3 acre difference in size will simply mitigate any potential drainage problems to the fee owners by routing the easement across a parking lot rather than under the new restaurant.

Sample 18

- Sample 19 -

IV. 3. Quitclaim

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

OCTOBER 1994 CTC AGENDA

02 04-Son-101-48.7

Parcel No. DK049864-01-01

Convey to James D. McBride

No monetary consideration. Direct conveyance of an appurtenant road easement that the state acquired without knowledge, as the dominant tenement, when wetland mitigation parcel was acquired.

Sonoma

1.171 acres

\$0.00 (Appraisal Nominal)

Cost: N/A

Date Acquired: 1992

Direct Conveyance

Appraisal Dated: June 1994 (Nominal = \$0.00)

Number of Parcels: 1

Special Remarks:

The grantee submitted a \$5,000 processing fee in order to have the state prepare this Quitclaim Deed. This road easement was of record when the grantees purchased their property and, as a condition of sale, in order to clear title, they pursued a quitclaim from the state.

The title company did not identify the appurtenant easement in the report covering the mitigation parcel. According to the district, it is not unusual for title companies not to show appurtenant easement on a report for the dominant tenement, but it would be reported for the servient tenement.

- Sample 20 -

IV. 4. Quitclaim

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

OCTOBER 1994 CTC AGENDA

06 07-LA-134-10.2

Parcel No. DK000899-XX-XX

Convey to Walter M. Yoho, Sr.

Los Angeles

1,914 s.f.

\$0.00 (Appraisal N/A)

No monetary consideration. Conveyance to underlying fee owner of an unneeded slope easement. This easement is unusable for any other purpose and presents a maintenance and liability responsibility to the department.

Cost: N/A

Date Acquired: 1954

Number of Parcels: 1

Special Remarks:

The state originally acquired this easement for street realignment purposes. This easement is no longer needed. The underlying fee owner would buy the easement, if Caltrans constructed a retaining wall. The cost to do so would far exceed the value of the easement (given a nominal value of \$10.00 in a 1978 appraisal). Quitclaiming this easement at no cost eliminates a maintenance and liability responsibility for Caltrans.

- Sample 20 -

- Sample 21 -

IV. 5. Quitclaim

EXCESS LANDS TRANSACTION RESUME
(Quitclaim)

OCTOBER 1994 CTC AGENDA

09 07-Ven-118-27.5
Parcel No. DK043660-XA-XX
Convey to Domenik Todaro

Simi Valley
1,365 s.f.
\$0.00 (Appraisal N/A)

No monetary consideration. Conveyance to underlying fee owner of an easement for utility purposes not needed by Southern California Edison. This easement is unusable for any other purpose and presents a maintenance and liability responsibility to the state.

Cost: N/A
Date Acquired: 1966

Number of Parcels: 1

Special Remarks:

This easement was originally acquired to be transferred to Southern California (SCE) to replace an existing easement. SCE no longer has an interest in the easement. There is no Utility Agreement covering this easement. Extensive efforts to return this easement to the underlying fee owner have been ignored. The district believes it is in the best interest of the state to quitclaim this easement to the underlying fee owner without charge. This eliminates a maintenance and liability responsibility for Caltrans.

- Sample 21 -