

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.

16.07.03.00 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:

- 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.

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.

EXCESS LAND DISPOSAL FILE DOCUMENTATION (Continued)

Item	Explanation
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.

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>

PHASE II RESPONSIBILITIES (Continued)

Team Member	Responsibilities
Relocation Assistance	Reviews and updates occupancy data with Property Management and confirms RAP eligibility status of occupants. Promptly issues notices to all occupants who were previously offered relocation benefits, formally effecting the change of RAP eligibility.
Appraisals	Provides necessary appraisals or disposal value estimates when requested.

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.

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 pages.

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.

Criteria	Explanation
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> <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

Criteria	Explanation
Sensitive Areas	<p>Environmentally sensitive areas should be considered.</p> <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

Criteria	Explanation
Sensitive Elements	<p data-bbox="423 260 1438 415">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> <p data-bbox="423 426 509 457">Noise</p> <ul data-bbox="492 468 980 579" style="list-style-type: none"> <li data-bbox="492 468 889 499">• Sensitivity of receptors <li data-bbox="492 506 980 537">• Character of neighborhood <li data-bbox="492 543 878 575">• Proposed use of park <p data-bbox="423 585 574 617">Air quality</p> <ul data-bbox="492 627 1451 697" style="list-style-type: none"> <li data-bbox="492 627 889 659">• Sensitivity of receptors <li data-bbox="492 665 1451 697">• Potential for increase of pollutants due to increasing traffic <p data-bbox="423 707 516 739">Traffic</p> <ul data-bbox="492 749 1003 966" style="list-style-type: none"> <li data-bbox="492 749 646 781">• Safety <li data-bbox="492 787 894 819">• Noise and air pollution <li data-bbox="492 825 662 856">• Parking <li data-bbox="492 863 662 894">• Access <li data-bbox="492 900 1003 932">• Increase on residential streets <li data-bbox="492 938 980 970">• Create barrier to circulation <p data-bbox="423 980 732 1012">Storm Water Quality</p> <ul data-bbox="492 1022 1451 1121" style="list-style-type: none"> <li data-bbox="492 1022 889 1054">• Sensitivity of receptors <li data-bbox="492 1060 1451 1121">• Potential for increase in discharge of pollutants due to site activities (e.g., litter)

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 (both for internal Caltrans use). 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.

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.

16.13.00.00 – DELEGATIONS

16.13.01.00 Delegations of Authority

As referenced in Section 2.05.01.00, the delegation matrix for Excess Land is noted below. The delegation matrix reflects the associated policy and RW Manual reference for each delegated item. The matrix also distinguishes whether an item is delegated to the District or Headquarters (HQ) level, along with the lowest level of sub-delegation authorized.

Reference (Statutory, WBS, Director's Policy, Deputy Directive, etc.)	RW Manual Section	Responsibility	Delegation	Lowest Level of Sub- Delegation
	16.01.05.00	Review of Appraisal Maps	District	Associated Governmental Program Analyst (AGPA)
	16.01.09.00	Excess Lands Parcel Summary RW 16-1	District	Senior RW Agent
Lean 6 Sigma RPRR Requirements	16.02.04.00	Approval to Hold Excess Land	District	District Director
CTC Resolution G98-22	16.05.02.00	Conveyances of Excess Property Requiring CTC Final Approval	HQ	Supervising RW Agent
	16.05.03.01	Incorporation of Excess Parcels Within Operating Right of Way	District	Senior RW Agent
	16.05.03.02	Inter-Program Transfers (Accounting Transaction) RW16-1	District	RW Manager
	16.05.04.02	Option Period Exceeding 180 Days	District	Supervising RW Agent

Reference (Statutory, WBS, Director's Policy, Deputy Directive, etc.)	RW Manual Section	Responsibility	Delegation	Lowest Level of Sub-Delegation
	16.05.04.04	First Offering 75%-100% of PSE	District	Senior RW Agent
	16.05.04.04	Subsequent Offerings Minimum Bid May Be Reduced to 60% or More of PSE Regardless of Valuations For a Minimum Bid of Less Than 75% for the First or Subsequent Offerings, the District's Rationale Must be Provided in Writing to HQ R/W for Informational Purposes and a Copy Placed in the District's Excess Lands File.	District	Supervising RW Agent
SHC §118(a)&(b)	16.05.04.05	Recommend to CTC Acceptance of Bid 80% or More of the Unannounced Minimum Bid	District	Supervising RW Agent
SHC §118(a)&(b)	16.05.04.05	Recommend to CTC Acceptance of Bid Less Than 80% of the Unannounced Minimum Acceptable Bid	HQ	Supervising RW Agent
	16.05.04.06	Variations of Extensions of Option Period	District	Supervising RW Agent

Reference (Statutory, WBS, Director's Policy, Deputy Directive, etc.)	RW Manual Section	Responsibility	Delegation	Lowest Level of Sub-Delegation
	16.05.04.09	Public Sales of Landlocked Parcels Consideration for Access Option	District	Supervising RW Agent
	16.05.04.09	Form of Agreement Other Than Exhibit 16-EX-5	District	Supervising RW Agent
	16.05.09.02	Direct Conveyances – Adjustment of Sales Price When Market Value is \$1M or More	District	RW Manager
	16.05.09.02	Direct Conveyances – Adjustment of Sale Price When Market Value Is Less Than \$1M	District	RW Manager
GOV §14673	16.05.11.00	Transfers of Control and Possession	District	District Director
CTC Resolution G98-22	16.07.02.00	Approval of Conveyances of Excess Land Pursuant to CTC Delegation	HQ	Supervising RW Agent
	16.07.07.00	Cancellation of Sale Prior to CTC Approval	District	Senior RW Agent
	16.07.08.00	Cancellation of Sale Prior to Recordation	District	Supervising RW Agent
	16.07.08.00	Adjust Sales Price After CTC Approval	HQ	Supervising RW Agent
	16.11.10.00	90-Day Extension to Negotiate Porter Bill Lease and Sales Contract Beyond One-Year Period	District	Senior RW Agent
	16.11.11.00	Porter Bill Lease Execution	District	Senior RW Agent

Reference (Statutory, WBS, Director's Policy, Deputy Directive, etc.)	RW Manual Section	Responsibility	Delegation	Lowest Level of Sub- Delegation
GOV §54235, et seq.	16.10.05.00 16.10.06.00 16.10.07.00 16.10.08.00	Sales of the Properties Located in the Route 710 Corridor Under the Roberti Bill	HQ	Supervising RW Agent

CHAPTER 16

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(REV 1/2020)

Exhibits are located online:

- [External Exhibits site](#)
- [Internal Exhibits site \(internal Caltrans link\)](#)

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(REV 8/2018)

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RW 16-29	Excess Land Fiscal Transmittal

Forms are located online:

- [External Forms site](#)
- [Internal Forms site](#) (internal Caltrans link)

(REV 8/2018)