

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: September 26-27, 2012

Reference No.: 3.5
Information Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: Mark Weaver
Acting Chief
Division of Right of Way
and Land Surveys

Subject: **STATUS OF THE ALTERNATIVE DIRECT SALE PROCESS FOR EXCESS LAND
LOCATED ON THE STATE ROUTE 238 CORRIDOR**

The California Department of Transportation (Department) received conceptual approval in August 2011 for an alternative direct sales process of single family residences determined to be excess land located on the rescinded Hayward Bypass Freeway alignment on the State Route 238. The alternative excess land direct sale process applied to the direct sale of certain single family residences to eligible tenants qualified by a homebuyer program administered by the City of Hayward pursuant to Government Code Section 14528.65.

The Department sold eight single family residence excess land properties directly to eligible qualifying tenants as of August 1, 2012. Of the eight direct sales, two were sold via the alternative direct sale process at less than the appraised fair market value; one at 97 percent of the appraised value and one at 96 percent of the appraised value. The total revenue generated from the eight direct excess land sales was \$1,797,360.00, which will be returned to the State Highway Account.

The California Transportation Commission approved forty two Director's Deeds for the direct sale of single family residences to qualifying tenants along the rescinded State Route 238 as of August 1, 2012. Of the 42 approved deeds, eight were sold as described in the preceding paragraph, and 18 tenants have opted out of purchase which will require the Department to resell the excess land properties. The remaining residences require action by either the tenant, the Department or the City of Hayward in order to finalize the sale and record the Director's Deed.