



**ACTIVIST:** Louise Greeley fought for years to get Caltrans to sell Newport Beach a 15.5-acre parcel, near Superior and Pacific Coast Highway, which she can see from the deck of her home. After holding onto it for 40 years, Caltrans finally sold it last week to the city, which plans a park there.

MARK RIGHTMIRE, THE ORANGE COUNTY REGISTER

## ROAD TO NOWHERE

The California Department of Transportation bought homes and businesses it didn't need for dozens of highway projects that were never built. The former property owners have watched for decades as freeway projects died and their former properties crumbled, burned or became abandoned.

Caltrans held onto the unused land with a strong, defiant embrace, while ignoring and neglecting properties. At the same time, local governments have been deprived of tax revenue.

Caltrans now says it would like to transfer property management to another state department.

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# Dodging reform

## How the Caltrans bureaucracy waits out and ignores efforts to clean up and sell off land that was bought but never used for highway projects.

By KIMBERLY KINDY  
The Orange County Register

For more than three decades, the California Department of Transportation has dodged efforts to reform its controversial land-management practices.

An Orange County Register investigation on Sunday showed how the department's appetite for property acquisition has turned neighborhoods into eyesores and deprived local government of millions of dollars in property taxes.

Since the early 1970s, state auditors and watchdog committees have repeatedly criticized Caltrans.

Each time the department promised reforms, but there has been little or no change.

Instead, the most serious problems have worsened. Caltrans continues to buy unneeded land, takes poor care of stockpiled properties, fails to properly track land holdings, resists the sale of unused land, and loses money when the land is sold.

Interviews with current and former state officials indicate the department's civil servants have operated largely unchecked because their tenures span decades, while reform-minded lawmakers, governors and departmental directors quickly come and go.

The Little Hoover Commission first zeroed in on Caltrans land management in 1972. Since that time, Caltrans has cycled through 11 directors with an average tenure of 2.7 years.

Caltrans bureaucrats, on the other hand, often stay for 20 years or more and successfully "wait out" elected and appointed officials.

Former Senate Pro Tem David Roberti recalled a letter he sent to Caltrans during his successful efforts to halt Route 2 through Silver Lake in the 1970s. The letter was returned to him from Caltrans with an obscenity scrawled across the top and this note: "The road goes through."

The letter is now lost among Roberti's archived papers, but two former staffers recalled their boss waving it in the air, complaining about the "culture" of the department.

The cultural attitude Roberti spoke of was apparent to state Sen. Ross Johnson during his long fight to get Caltrans to sell an unused 15.5-acre parcel in Newport Beach.

The department bought the land 50 years ago to widen Pacific Coast Highway, a project abandoned in the 1970s, and finally agreed to sell it to Newport Beach on Wednesday.

The city's fight for the land lasted 15 years, with Johnson stepping in at one point to help. The Register began asking Caltrans six months ago why the land was still in its portfolio.

"The attitude of unelected civil servants is that this is their domain and they aren't going to give up power or perceived power," said Johnson. "They can outlast you, and they do."

Former Caltrans directors agree that reforms have tapered off or even died after their champions leave office.

Leo J. Trombatore, who was director of Caltrans from 1983 to 1987, agrees there's a problem. Trombatore said he pushed through some fixes that temporarily accelerated property sales. He also pushed the department to improve computer tracking of properties.

However, employees have done an uneven job of filling out the required information fields, or have put in erroneous figures, the Register found. Those databases are now outdated.

Trombatore believes Caltrans needs outside oversight from a state organization that has the authority to force staff to follow through, long after directors have departed.

The Bureau of State Audits and the Little Hoover Commission have the power to expose and recommend change, but cannot order state departments or agencies to do anything or punish them if they fail to fix things. The California Transportation Commission, which has the authority to approve or reject transportation construction projects for Caltrans, has no power to hire or fire staff.

"The department should be staffed and organized so that when the director comes and goes, it

doesn't matter. The average amount of time for a highway project, from beginning to end, is 15 years," Trombatore said. "There is no director who is there for that long. Some structure needs to be in place that lasts for more than a few years."

### **CALTRANS REFORM EFFORTS**

Here's a list of major state reform efforts, the Caltrans director who was in charge at the time, and the department's response to the key recommendations.

#### **LITTLE HOOVER COMMISSION:**

A year-long study and series of public hearings looked into complaints that Caltrans held onto excess property and refused to sell. It also looked into Caltrans' poor record as a landlord.

**When:** 1972

**Caltrans director:** James A. Moe

**Key findings/recommendations:** Establish outside agency/committee to identify properties that should be sold. Hire private real estate agents to secure top dollars.

**Actions taken:** None

#### **AUDITOR GENERAL REPORT:**

Inquiry into complaints that Caltrans hoarded properties that should be sold.

**When:** 1982

**Caltrans director:** Adriana Gianturco

**Key findings/recommendations:** Update records to keep accurate land inventory. Set up outside committee to dispose of property in a fast manner for high profits.

**Actions taken:** Records are still inaccurate in fall 2006. No outside committee was ever established.

#### **BUREAU OF STATE AUDITS REPORT:**

Inquiry into Caltrans' home sales and repairs.

**When:** 1985

**Caltrans director:** Leo J. Trombatore

**Key findings/recommendations:** Caltrans paid for home repairs that didn't happen in Silver Lake and Echo Park for a portion of State Highway Route 2 that was not built. Caltrans should keep complete records on future repairs and develop a system to make sure contractors have done work before they are paid.

**Actions taken:** The department has not developed a systematic means of checking on contractors.

#### **BUREAU OF STATE AUDITS REPORT:**

Inquiry into problems with Caltrans and other state departments' ability to track unused, surplus properties.

**When:** 2001

**Caltrans director:** Jeff Morales

**Key findings/recommendations:** Caltrans had incomplete databases and was taking up to 50 years to sell parcels bought for highway construction but no longer needed for this purpose. The department was told to create a better computer system to track unused land and to establish an outside committee to identify land that should be sold.

**Actions taken:** No action was taken at the time. The troubled computer system is now on track to be replaced by fiscal year 2008-09. The outside committee was not established.

#### **LEGISLATIVE BILL PACKAGE:**

Laws proposed to deal with state excess lands that are no longer needed.

**When:** 2003

**Caltrans director:** Jeff Morales

**Key recommendations:** Lawmakers introduced seven bills that would force Caltrans and other state departments to better track and report surplus land holdings to the Legislature. The bills also provided incentives to sell.

**Actions taken:** State departments fought the bills, which died.

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