

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 19-20, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4d.(7), Action Item

Prepared By: René Fletcher, Chief  
Division of Right of Way and Land Surveys

Subject: CONVEYANCE OF STATE-OWNED REAL PROPERTY- EL CAMINO REAL

### ISSUE:

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

### RECOMMENDATION:

The California Department of Transportation (Department) recommends the Commission authorize execution of the Director's Deed summarized below. The conveyance of excess State-owned real property, including exchanges, is pursuant to Section 118 of the Streets and Highways Code.

The Director's Deed included in this item involves an estimated current value of \$1,650. The State will receive a return of \$1,650 from the sale of the property; corresponding maps are attached.

**BACKGROUND:**

The subject development necessitates removal of the State easement across its parcel to secure funding required to advance the project into construction. The development project aims to build 368 multi-family rental units with 20 percent of the units designated for affordable housing. The financing for this project is ready to close; however, without resolution of the easement, the lender is unwilling to proceed, threatening delivery of this much-needed housing development. Any further delays in securing financing for the project will significantly jeopardize the overall project's feasibility due to excavation being pushed into the rainy season. It's imperative to begin excavation this spring to take full advantage of the dry season and keep the project on schedule.

The 3150 El Camino Real project is one of the largest residential developments proposed in the Palo Alto area in recent decades, delivering approximately 368 new housing units in a market that has historically experienced constrained housing production relative to job growth. The project significantly advances the City's State-certified Housing Element and Regional Housing Needs Allocation obligations by adding substantial net-new supply, including deed-restricted affordable units consistent with City requirements. Strategically located along El Camino Real (State Route 82), the project aligns with State and regional policies that direct growth to transit-served, infill locations to reduce vehicle miles traveled and support greenhouse gas reduction goals under Senate Bill 375.

The development will contribute to the long-term transformation of the El Camino Real corridor from low-intensity commercial frontage to a more complete, walkable, transit-oriented urban boulevard. Furthermore, it will strengthen the jobs-housing balance in proximity to major employment centers such as Stanford University, downtown Palo Alto, and the California Avenue District. Given its scale, corridor frontage on a state highway, and role in advancing both local housing compliance and statewide smart-growth objectives, the project holds significant local and regional importance.

The applicant, Acclaim Companies, has collaborated with City staff, City Council, and the Palo Alto Planning Department for over four years to entitle this project, which has received unprecedented support from the community and stakeholders.

**DIRECTOR'S DEED:**

**01**-04-SCI-82 PM 23.8  
Disposal Unit #DE-027824-X2-XX  
Convey to: 3150 ECR PA LLC

Santa Clara County  
172 square feet  
\$1,650 (Appraisal \$1,650)

Direct sale. Disposal unit is a slope easement which is no longer required for the Department's needs and is being decertified at the request of the underlying fee owner. Disposal unit is not independently developable due to its size and shape and is being sold to the underlying fee owner at fair market value. Disposal unit is not subject to Executive Order N-06-19.

Attachments:  
Exhibit 1A – 1B

NOTE: The State of California or its officers or agents shall not be responsible for the accuracy or completeness of digital images of this map.

# SANTA CLARA COUNTY CITY OF PALO ALTO



**DE-027824-X2-XX**  
172 SQ.FT. SLOPE EASEMENT

(NOT TO SCALE)

STATE OF CALIFORNIA  
CALIFORNIA STATE TRANSPORTATION AGENCY  
DEPARTMENT OF TRANSPORTATION  
**DIRECTOR'S DEED**  
DE-027824-X2-XX  
VICINITY MAP  
COPYRIGHT 2019 CALIFORNIA  
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R-111.0

DRAFTED BY	CHECKED BY	DATE	DISTRICT	COUNTY	ROUTE	SHEET PM	SHEET NO.	TOTAL SHEETS
Ch. Haldenwang	J. Zhong	01-29-2025	4	SCL	82	23.8	1	2

Coordinates are on CCS 1927 Zone III. Distances are grid distances. Multiply by 1.0000552 to obtain ground distances. All distances are in feet unless otherwise noted.

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SANTA CLARA COUNTY  
CITY OF PALO ALTO

**STATE ROUTE 82**

EL CAMINO REAL

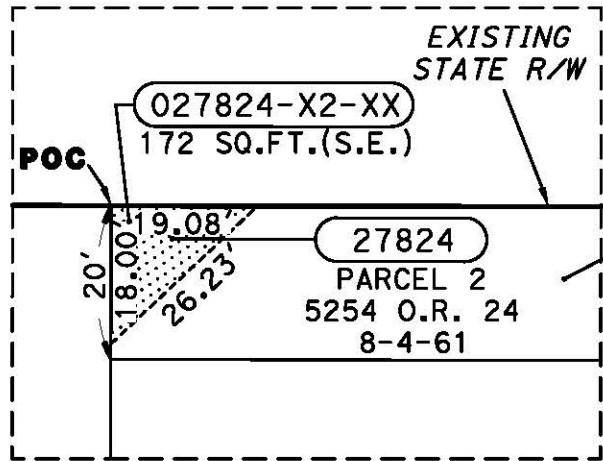
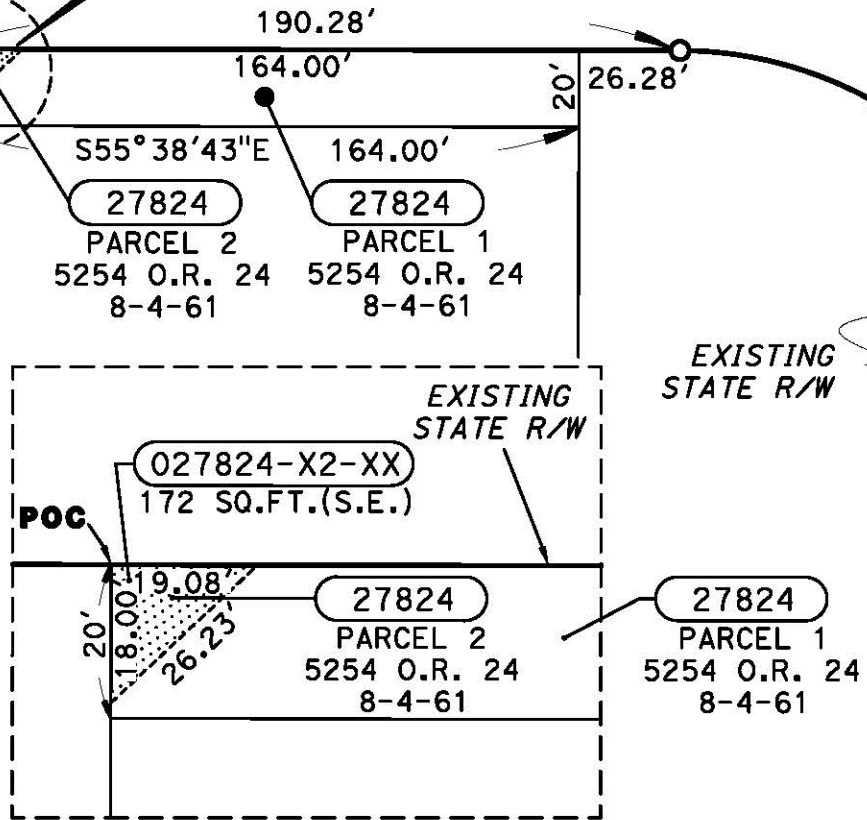
**DE-027824-X2-XX**

172 SQ.FT. SLOPE EASEMENT

TO  
REDWOOD CITY

TO  
MOUNTAIN VIEW

See  
Detail "A"  
POC



DETAIL "A" (Scale: 1"=25')

**LEGEND**

- DIMENSION POINT
- O.R. OFFICIAL RECORDS
- POC POINT OF COMMENCEMENT
- R/W RIGHT OF WAY
- SQ.FT. SQUARE FEET
- (S.E.) SLOPE EASEMENT

STATE OF CALIFORNIA  
CALIFORNIA STATE TRANSPORTATION AGENCY  
DEPARTMENT OF TRANSPORTATION  
DIRECTOR'S DEED  
DE-027824-X2-XX  
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SCALE: 1" = 50'



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Ch. Haldenwang	J. Zhong	01-29-2025	4	SCL	82	23.8	2	2

R-111.11