

## **MEMORANDUM**

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** May 14-15, 2026

**From:** STEVEN KECK, Chief Financial Officer

**Reference Number:** 2.4c.(1), Action Item

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

**Subject:** **AIRSPACE LEASE FOR CONSTRUCTION TIEBACK FOUNDATION SUPPORTS-  
REQUEST FOR CONSENT TO DIRECTLY NEGOTIATE WITH CRESCENT  
HEIGHTS, LLC.**

### **ISSUE:**

Should the California Transportation Commission (Commission) approve a request by the California Department of Transportation (Department) to directly negotiate a tieback foundation supports airspace lease agreement with Crescent Heights, LLC., in San Francisco County?

### **RECOMMENDATION:**

The Department recommends that the Commission approve a request to directly negotiate a tieback foundation supports airspace lease with Crescent Heights, LLC., in San Francisco County.

### **BACKGROUND:**

The 10 South Van Ness Avenue project is a major mixed-use residential development located at the intersection of Market Street and South Van Ness Avenue. The 800-foot tower will be the fourth-tallest building in San Francisco and will include 849 residential units along with 2 underground levels for parking and building services. Construction is expected to commence in Quarter 1 of 2027 with an estimated 48-month duration to completion.

The project will require an estimated 180 tieback rods (2 rows of 90 rods) to be inserted, encroaching 53 feet into State Route 101 South Van Ness Avenue right of way for structural shoring during the below-grade excavation phase of construction. The rods are expected to be tensioned for 12 months, then will be detensioned and abandoned in place. The Department will collect a \$180,000 lump sum fee representing Fair Market Value for use of the right of way (\$1,000 per rod).

**BENEFIT:**

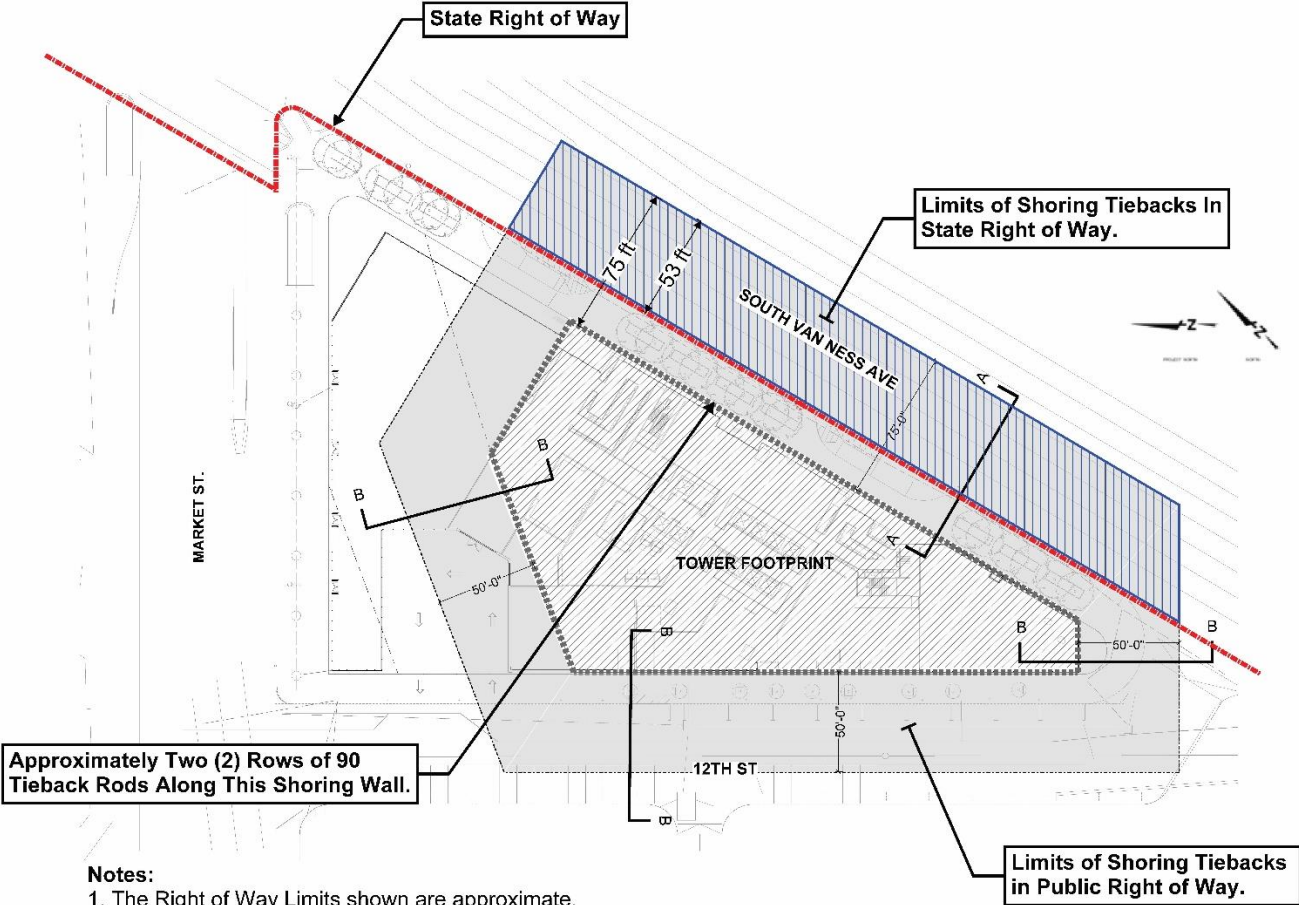
An airspace lease to accommodate tieback rods encroaching within the State's right of way supporting an adjoining large-scale development cannot be publicly auctioned since there is no competitive use of the right of way, so it must be directly negotiated. Accommodating the tiebacks encroachment maximizes the number of residential units that can be constructed, which advances the State's housing policies that seek to substantially increase housing supply to address the severe housing shortage through the Regional Housing Needs Allocation process.

Attachments:

Exhibit A – Tieback Encroachment Area Plan Sheet

Exhibit B – Aerial Image

### Tieback Encroachment Area Plan Sheet



Aerial Image

