

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4c.(4), Action Item

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

Subject: **AIRSPACE LEASE – REQUEST FOR CONSENT TO DIRECTLY NEGOTIATE
WITH B.W. PADILLA, INC. DBA BRIAN’S WELDING, IN SANTA CLARA COUNTY**

ISSUE:

Should the California Transportation Commission (Commission) approve a request by the California Department of Transportation (Department) to directly negotiate a long-term lease with B.W. Padilla, Inc. DBA Brian’s Welding, in Santa Clara County?

RECOMMENDATION:

The Department recommends that the Commission approve a request to directly negotiate a long-term lease with B.W. Padilla, Inc. DBA Brian’s Welding, located in Santa Clara County.

BACKGROUND:

B.W. Padilla, Inc. DBA Brian’s Welding operates a standalone welding business located adjacent to the State Route (SR) 87 right of way in the City of San Jose. Although B.W. Padilla, Inc. DBA Brian’s Welding’s property does have some parking available, they have leased the adjoining site for additional parking from the Department since February 1, 2016. The lease area is rectangularly shaped.

The site is landlocked, with no public access from SR 87, Coleman Street, or Santa Teresa Street. It serves no functional purpose for anyone other than the adjacent owner, and no other neighboring properties have access. As a result, the site is only useful to the adjoining property owner or prospective tenant who is using it for parking.

BENEFITS:

It is in the State’s interest to lease this airspace site through direct negotiation because the site is only accessible and usable by the proposed/current lessee.

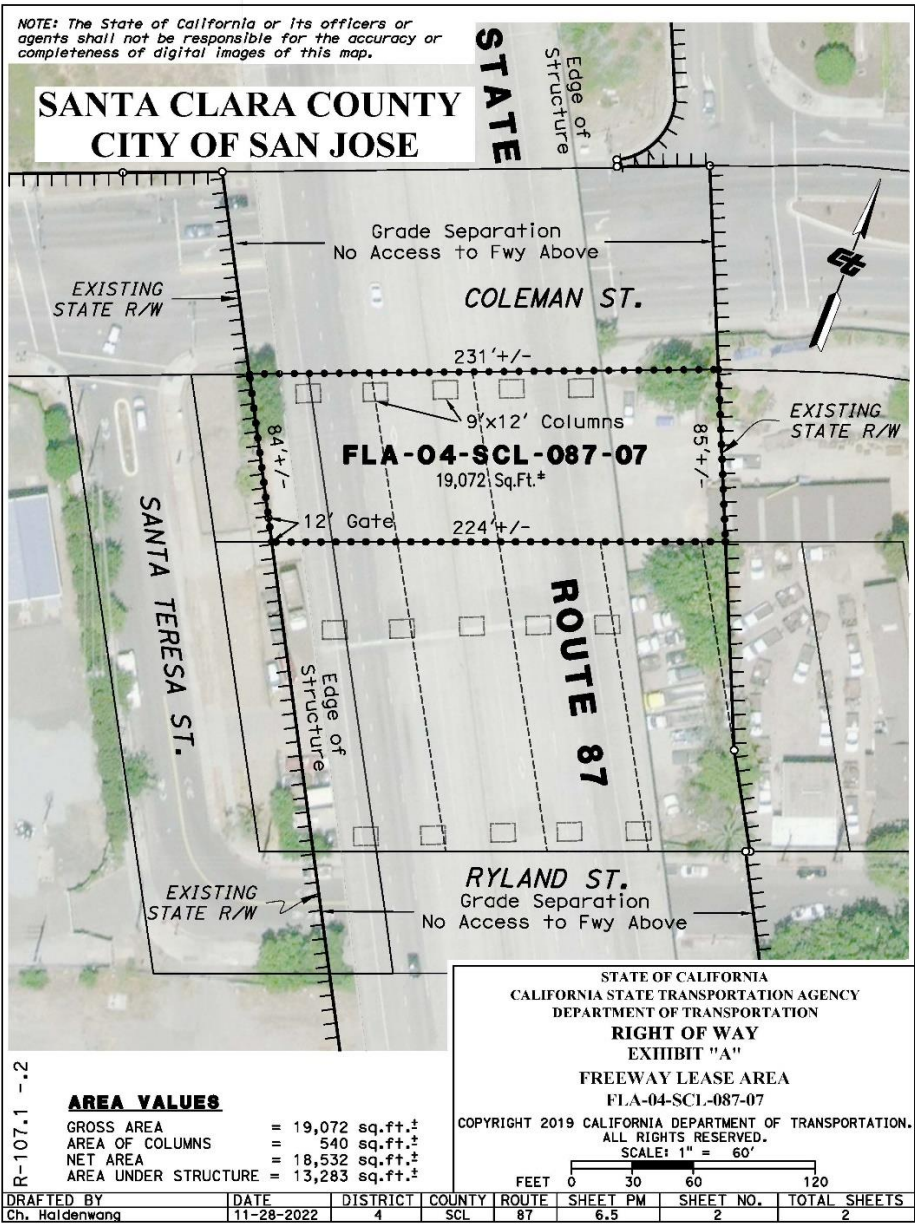
Leasing this site to the proposed/current lessee relieves the Department of maintenance problems and does not detract from the safety and aesthetics of the Department's right of way. The negotiated rental rate will be at fair market rent.

Attachments

Exhibit A – Freeway Lease Area Map Overlay

Exhibit B – Street View Image of Parking Area

Freeway Lease Area Map Overlay



Street View Image of Parking Area

