

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4c.(7), 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 HSR ELCO YARDS A, LLC, IN SAN MATEO COUNTY**

ISSUE:

Should the California Transportation Commission (Commission) approve a request by the California Department of Transportation (Department) to directly negotiate a tieback foundation supports lease agreement with HSR Elco Yards A, LLC, in San Mateo County?

RECOMMENDATION:

The Department recommends that the Commission approve a request to directly negotiate a tieback foundation supports lease agreement with HSR Elco Yards A, LLC, located in San Mateo County.

BACKGROUND:

Development

The 1555 El Camino Real project is a mixed-use residential development located between Maple and Beech Streets along El Camino Real in Redwood City. The development includes 252 residential units with associated amenities and ground-floor retail. The building comprises seven levels above grade over two levels of subterranean parking.

Tiebacks Encroachment

The project will require an estimated 20 tieback rods (1 row of 20 rods) to be inserted encroaching 15 feet into the State Route 82 right of way for structural shoring during the below grade excavation phase of construction. The rods are expected to be tensioned 12 months then will be detensioned and abandoned in place. The Department will collect \$60,000 lump sum fee representing fair market value for use of the right of way (\$3000 per rod).

BENEFITS:

An airspace lease to accommodate tieback rods encroaching within the right of way supporting an adjoining large-scale development cannot be publicly auctioned since there is no competitive use of the right of way and 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.

Attachment

Exhibit A – Tieback Encroachment Area Plan Sheet

