

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4c.(10), 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 KEVIN J BARRY IRONWORKS, IN SAN FRANCISCO 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 Kevin J Barry Ironworks, in San Francisco County?

RECOMMENDATION:

The Department recommends that the Commission approve a request to directly negotiate a long-term lease with Kevin J Barry Ironworks, located in San Francisco County.

BACKGROUND:

Kevin J Barry Ironworks currently operates a structural steel and metal fabrication business on a privately owned parcel located beneath the Interstate 280 structure in the City of San Francisco. Since February 1, 2022, the business has leased the adjoining landlocked Freeway Lease Area (FLA) 04-SF-280-25 from the Department for parking and materials storage associated with its business operations. This proposed lease would prohibit materials storage, thus the FLA will only be used for parking customer and tenant owned vehicles.

The FLA is landlocked because there is no public vehicle access from the adjoining Iowa Street or 25th Street. The FLA provides no utility to any other party besides the adjoining owner, and there are no other adjoining owners with access to the FLA.

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 lessee.

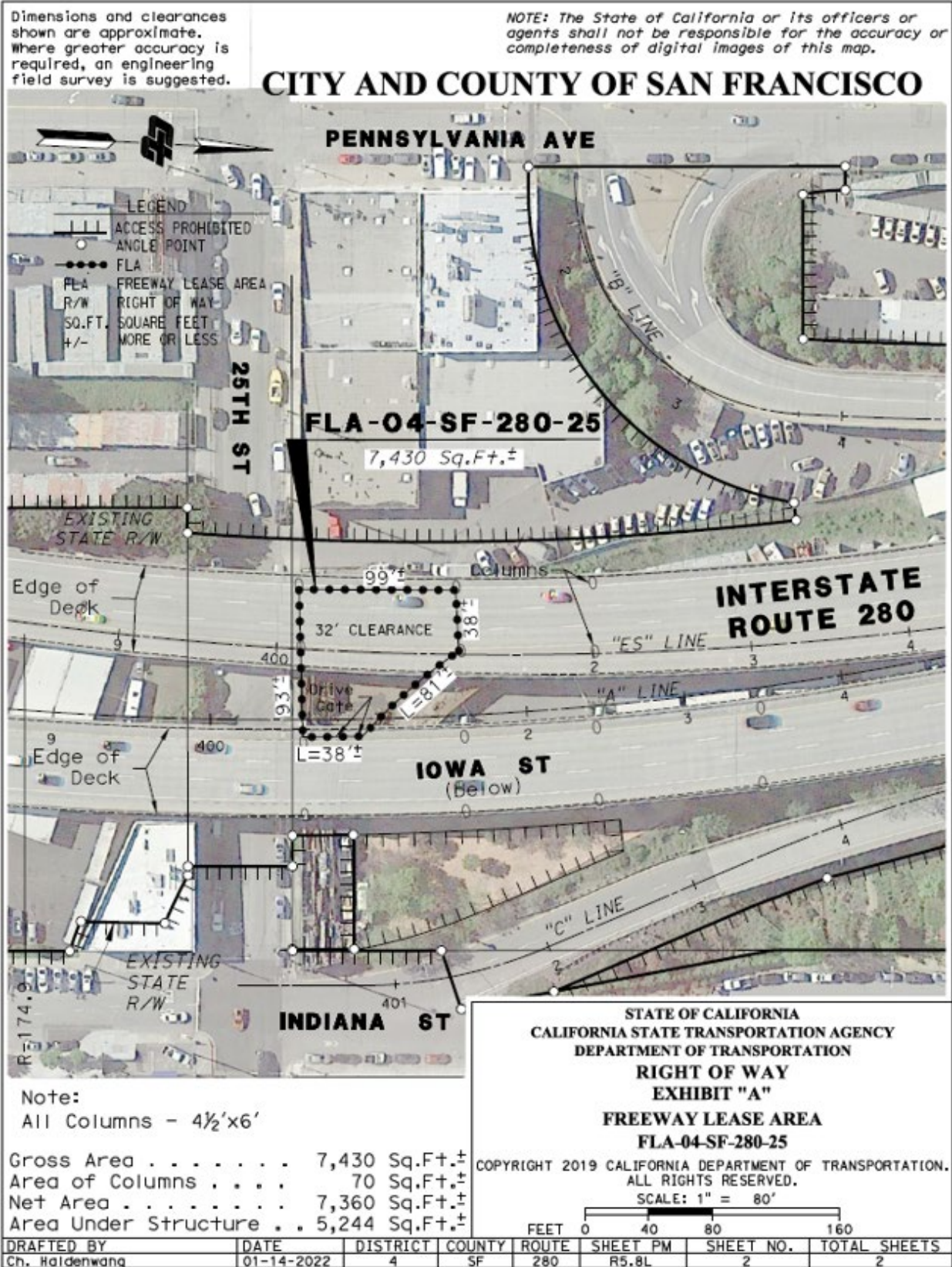
Leasing this site to the proposed/current lessee relieves the Department of maintenance problems and does not detract from the safety and aesthetics of the Department's right of way. The negotiated rental rate will be at fair market rent.

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

