

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: August 20-21, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.4c.(11), 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 SUNBELT RENTALS INC., 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 Sunbelt Rentals Inc., in San Francisco County?

RECOMMENDATION:

The Department recommends that the Commission approve a request to directly negotiate a long-term lease with Sunbelt Rentals Inc., located in San Francisco County.

BACKGROUND:

Sunbelt Rentals Inc. currently operates a branch of its national equipment rental company adjacent to the Interstate 280 right-of-way in the City of San Francisco. Sunbelt Rentals Inc. has leased the adjoining Freeway Lease Area (FLA) 04-SF-280-23 for a vehicle access driveway and additional parking from the Department since December 1, 2021.

The adjacent property includes an access curb cut intended for small vehicles. For daily use and customer parking, the proposed Lessee intends to use a wider access driveway that exists from Selby Street through the FLA. The FLA provides no utility to any party other than the adjoining owner. There are no other adjoining owners who could access 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.

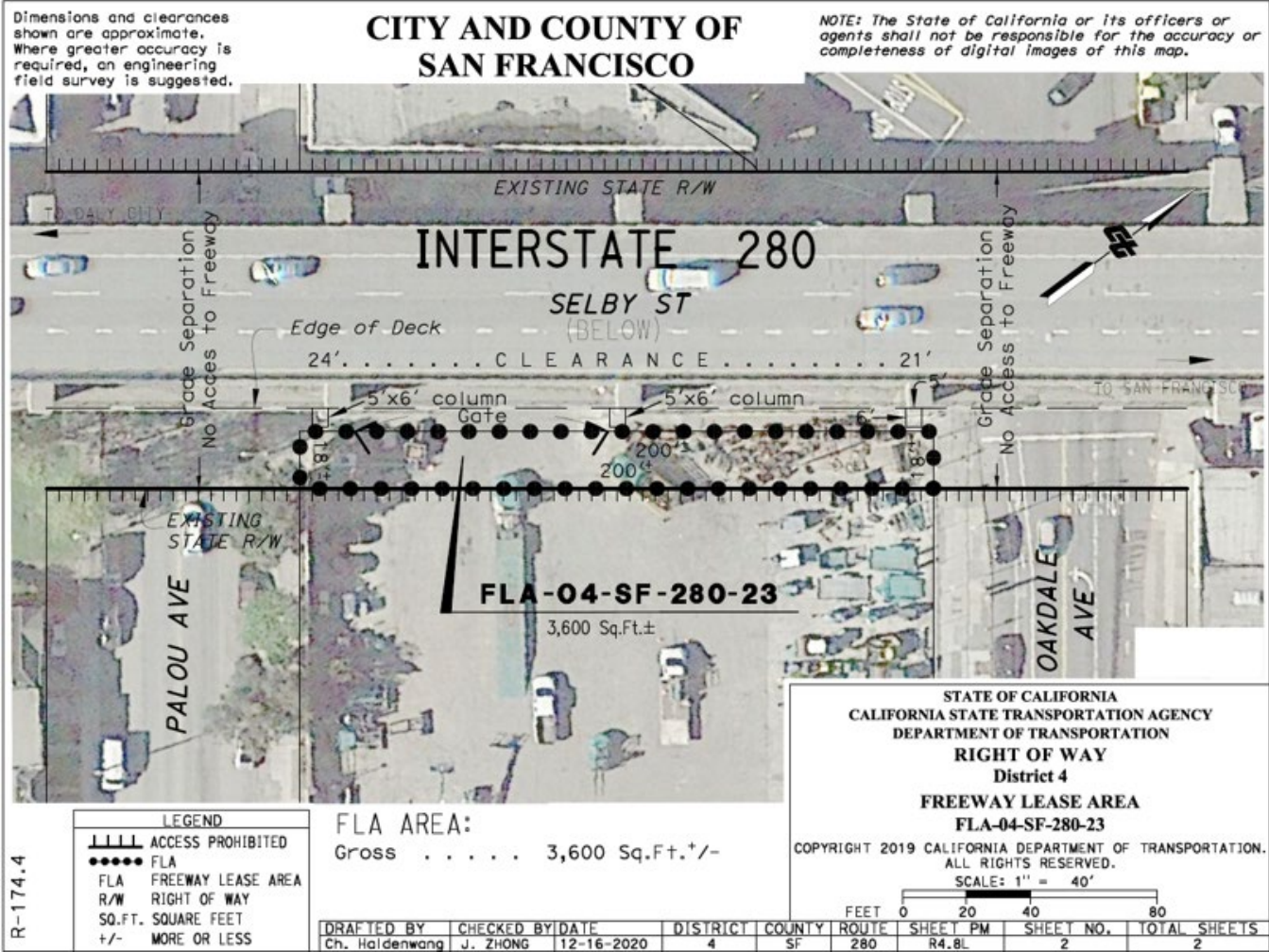
Leasing this site to the proposed/current lessee relieves the Department of maintenance problems and does not detract from the safety and aesthetics of the Department's right of way. The negotiated rental rate will be at fair market rent.

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

