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Contact: Lawrence McGuire  
(619) 814-2370 x20  
[lmcguire@cookandschmid.com](mailto:lmcguire@cookandschmid.com)

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### **Mercado del Barrio Project Breaks Ground**

*Construction to begin on long-awaited redevelopment project in Barrio Logan*

SAN DIEGO, Calif. — Ground will soon break in Barrio Logan as construction begins on the long-awaited revitalization effort, the Mercado del Barrio Project. The Redevelopment Agency of the City of San Diego and the San Diego Housing Commission, Shea Properties, Chelsea Investment Corporation, Northgate Gonzalez Markets, Mayor Sanders and Council President Ben Hueso cordially invite the community to participate in a groundbreaking ceremony being held on October 27, at 11:00 a.m. The ceremony will take place at the southeast corner of Cesar E. Chavez Parkway and Main Street.

In the making for over 20 years, the Mercado del Barrio project is located in the heart of the community of Barrio Logan, adjacent to historic Chicano Park and the Coronado Bridge near downtown San Diego.

“For years the community of Barrio Logan has wanted to see a development that improved their community, created jobs, and most importantly, respected the unique nature of the neighborhood. The Mercado del Barrio project includes affordable housing development, restaurants, a grocery store and retail shops – all of which will bring new life to the area,” said Mayor Sanders. “I happily support this great investment and look forward to seeing the project completed.” Sanders also serves as the Redevelopment Agency’s executive director.

The \$58.3 million, mixed-use residential and commercial project is transit oriented, and will be constructed on two vacant city blocks that encompass approximately 6.8-acres along Cesar E. Chavez Parkway, between Main Street and National Avenue. The uniquely designed Mercado features a 35,000-square foot Northgate Gonzalez supermarket and 48,000-square feet of complementary street-level retail uses. The residential component of the project, the Estrella del Mercado Apartments, consists of three stories of affordable rental units above ground-floor retail. The 92 apartments will be affordable to households earning between 30-60 percent of Area Median Income (AMI). In 2010, the annual income for a family of four at 30-60 percent AMI is \$24,000 - \$47,000. Shea Properties and Northgate Markets are developing the retail portion of the project and Chelsea Investment Corporation is developing the affordable apartments. The architect for the Mercado is locally based firm, Safdie-Rabines Architects.

“Local residents and the business community recognized the potential for this space 20 years ago. Mercado del Barrio reflects the needs of both local residents and the business community,” said Council President Hueso. “All of us who worked hard to make the vision a reality feel gratified that the project is now ready to break ground. We need the affordable housing and will welcome the retail shops.”



Located near multiple forms of transportation, Mercado del Barrio will feature a variety of amenities, including public art elements, plazas, pedestrian walkways and landscaping that highlight the culture of Barrio Logan and connections to Chicano Park. The overall project reflects community goals by incorporating smart growth and Leadership in Energy and Environmental Design (LEED) principles. Construction is set to begin in early 2011 with completion anticipated in 2012.

“We’re proud to be a part of this exciting project,” said Kevin McCook, development manager at Shea Properties. “Everybody involved came together to ensure we hit a home run for the community. I look forward to seeing the benefits it brings to the community – and attending the grand opening in 2012.”

The affordable housing portion of the project is being assisted with \$9.1 million and land conveyance from the Redevelopment Agency, and \$7 million from the San Diego Housing Commission. Additional State funding of approximately \$20.5 million was awarded from the California Tax Credit Allocation Committee for the Estrella del Mercado.

It is anticipated that the Mercado del Barrio Project will create 201 short-term jobs, 223 construction jobs and 500 permanent jobs while bringing approximately \$200,000 in annual sales tax revenue to the City. The project will also generate approximately \$3 million in tax increment over the lifetime of the project area. When the residential, supermarket and commercial phases are completed and occupied, the Mercado del Barrio will represent an \$80 million investment in the community.

“The Mercado del Barrio exemplifies smart development in today's economy,” said Jim Schmid, founder and CEO of Chelsea Investment Corporation. “This project will bring important new services to the community and transform the neighborhood. We are grateful to Council President Hueso for his leadership and the entire City Council, the Redevelopment Agency, our neighbors in the community, and our partners at Shea Properties for their cooperation and support.”

For more information about the Mercado del Barrio Project, please contact James Williams at (949) 389-7283 or email [james.williams@sheaproperties.com](mailto:james.williams@sheaproperties.com).

**About the Redevelopment Agency of the City of San Diego**

The City of San Diego Redevelopment Agency, created by the City Council in 1958, uses special legal and financial mechanisms to eliminate blight and improve economic and physical conditions in designated areas of the City. The Agency’s purview encompasses 17 project areas, study areas and affordable housing. Activities within the project areas are carried out by the City’s Redevelopment Department and two public, nonprofit city corporations: Centre City Development Corporation (CCDC) and Southeastern Economic Development Corporation (SEDC). The Agency also administers seven Project Area Committees (PAC) that advise the agency on the adoption of redevelopment plans and implementing redevelopment projects. For more information, visit: [www.sandiego.gov/redevelopment-agency/](http://www.sandiego.gov/redevelopment-agency/)

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