



THE CITY OF SAN DIEGO

## Report to the Hearing Officer

DATE ISSUED: April 30, 2025 REPORT NO. HO-25-016

HEARING DATE: May 7, 2025

SUBJECT: Mercado Apartments, Process Three Decision

PROJECT NUMBER: [PRJ-0696585](#)

REFERENCE: [City Council Resolution No. R-281669](#) adopted on March 23, 1993, for [Barrio Logan/Coastal Development Permit 92-0490](#); and [City Council Meeting Minutes](#) for March 23, 1993; and [1978 Barrio Logan Harbor 101 Community Plan](#); and [Barrio Logan Planned District Ordinance](#); and CDBG Funding Allocation by City Council for the Mercado Apartments Affordable Housing Project, [City Council Resolution No. R-316131](#)

OWNER/APPLICANT: Metropolitan Area Advisory Committee on Anti-Poverty of San Diego County, Inc., a California nonprofit benefit company (MAAC) dba Mercado 2019, LP, a California Limited Partnership

### SUMMARY

Issue: Should the Hearing Officer APPROVE an Amendment to Barrio Logan/Coastal Development Permit No. 92-0490, a Coastal Development Permit, and a Site Development Permit to redevelop an existing affordable housing apartment complex to include the demolition of two (2) two-story apartment buildings with 12 dwelling units, an existing parking lot and a trash enclosure and the construction of a four-story, 92 dwelling unit, residential apartment building with outdoor courtyard and plaza space, accessory common areas and administrative offices. The project site is a 0.98-acre portion of a 4.34-acre site located at [2001 Newton Street](#) within the Barrio Logan Community Planning area. The project is subject to the regulations outlined in [Barrio Logan/Coastal Development Permit No. 92-0490](#), The [Barrio Logan Planned District Ordinance](#), and the [1978 Barrio Logan Harbor 101 Community Plan](#).

### Proposed Actions:

1. ADOPT [Mitigated Negative Declaration \(MND\) No. 696585 and ADOPT a Mitigation Monitoring and Reporting Program \(MMRP\)](#); and
2. APPROVE an Amendment to [Barrio Logan/Coastal Development Permit No. 92-0490](#)

[\(Adopted under City Council Resolution No. R-281669, March 23, 1993\)](#); and

3. APPROVE Coastal Development Permit (CDP) No. [PMT-2580639](#); and
4. APPROVE Site Development Permit (SDP) No. [PMT-2592302](#).

Fiscal Considerations: The project will utilize public funding through Federal Community Development Block Grant (CDBG) funding allocated by the San Diego City Council on March 25, 2025, for the development of the project approved as [City Council Resolution No. R-316131](#). The allocated CDBG Funding for the proposed Mercado Apartments project is a not-to-exceed amount of \$15,275,000 through an affordable housing loan agreement to the project developer, Metropolitan Area Advisory Committee on Anti-poverty of San Diego County, Inc. Processing costs associated with the discretionary actions have been recovered through a deposit account established and funded by the applicant.

Code Enforcement Impact: There are no open code enforcement actions on this site.

Housing Impact Statement:

The project will be 100 percent affordable for-rent apartment units available to lower-income households. Currently, the existing project site has 144 dwelling units, with 142 units that are deed-restricted as affordable. The new development will include the demolition of 12 existing units, the construction of 92 new units, and the renovation of 132 existing units for a total of 224 units. The dwelling units will be affordable to very low-income, low-income, and moderate-income households below 50 percent, 60 percent, and 120 percent of Area Median Income (AMI) for a period of 55 years. Twelve of these units are further restricted under the Inclusionary Housing and/or Dwelling Unit Protection restrictions in accordance with California Government Code 65915. The project is located in a sustainable development area and may obtain an unlimited density bonus under San Diego Municipal Code (SDMC) 143.0720. The project is eligible for 5 incentives as allowed deviations in the form of waivers as outlined in the project description below.

The Inclusionary Affordable Housing Regulations require the applicant to provide six (6) units (92 units x 6 percent = 5.52, rounded to 6 units) affordable to low-income households with rents at 30 percent to 60 percent of Area Median Income for a period of 55 years. Therefore, provision of the 92 density bonus affordable units at 60 percent AMI and below will satisfy the applicant's obligations under the Inclusionary Affordable Housing Regulations.

The Owner/Permittee shall enter into a written Agreement with the San Diego Housing Commission, which shall be drafted and approved by the San Diego Housing Commission, executed by the Owner/Permittee, and secured by a deed of trust that incorporates applicable affordability conditions consistent with the SDMC. The Agreement will specify that in exchange for the City's approval of the project, which includes the demolition of protected dwelling units, and contains 34 bonus units in addition to the 190 units permitted by the underlying zoning regulations, alone or in conjunction with any incentives or concessions granted as part of project approval, the Owner/Permittee shall provide two units affordable to Very Low Income households at rents of no more than 30 percent of 50 percent of AMI, 32 units affordable to Low Income households at rents of no more than 30 percent to 60 percent AMI, for no fewer than 55 years.

The proposed project is subject to the 1978 Barrio Logan Harbor 101 Community Plan (Community Plan) and the Barrio Logan Planned District Ordinance (SDMC Chapter 15, Article 2, Division 1) since the project was deemed complete on October 25, 2022, prior to the December 14, 2023, California Coastal Commission's certification of the Barrio Logan Community Plan Update and Local Coastal Program. The project site is zoned Barrio Logan Planned District (BLPD)-Redevelopment Subdistrict. The Barrio Logan Redevelopment Plan (page 219) identifies the project site within the Mercado District. The Mercado District Area land use recommendations include the facilitation of the development of commercial uses mixed with residential and public-serving uses to serve the Barrio Logan Community, as well as the greater regional area and tourists. The Urban Design land use recommendation includes achieving an environment that reflects a high level of concern for architecture, landscape, urban design and land use principles.

The project as proposed and reviewed by City Staff would be in conformance with the applicable regulations of the General Plan, the Community Plan and the applicable regulations of the Land Development Code, specifically the regulations associated with the Barrio Logan Planned District, with exception of the requested allowed deviations in the form of waivers as outlined in the project description below. The proposed project will add dwelling units to the City's housing stock in the form of affordable housing, rehabilitate existing housing stock, and help address the Citywide housing crisis.

#### Community Planning Group Recommendation:

On February 15, 2024, the Barrio Logan Planning Group voted 6-2 to recommend DENIAL of the proposed project. Issues raised by the planning group include concerns about the project removing off-street parking spaces from the project site thus impacting street parking surrounding the project site. Discussion regarding parking included requesting the consideration of underground parking or parking integrated into the proposed building. (Attachment 9).

#### Environmental Impact:

Mitigated Negative Declaration No. 0696585/SCH No. 2025020359 was prepared in accordance with the California Environmental Quality Act Statute and Guidelines. A Mitigation Monitoring and Reporting Program for noise (construction) impacts will be implemented to reduce impacts to below a level of significance.

#### BACKGROUND

The project site is a 0.98-acre portion of a 4.34-acre site located at 2001 Newton Avenue. The overall project site was originally developed in 1993 in accordance with Barrio Logan/Coastal Development Permit No. 92-0490 for the development of 144 dwelling units within two-story garden-style apartment buildings with 212 off-street parking spaces and associated site improvements. Barrio Logan/Coastal Development Permit No. 92-0490 was originally heard by the San Diego City Council on March 23, 1993, and was approved and adopted with a unanimous vote in favor of the project. The project approved by City Council also included an extension to Chicano Park and a Public Right-Of-Way Vacation for a portion of Dewey Street adjacent to the residential portion of the project.

The original project was for a 5.62-acre site that included a proposal for an extension to Chicano Park on an adjacent 1.28-acre site to the north, owned and controlled by the California Department of Transportation (Caltrans) and a public right-of-way easement vacation for the vacation of a portion of

Dewey Street on the northern boundary of the residential development project area. The applicant met the permit condition of the previously issued permit which required the preparation of a park design to be reviewed by City staff. Unfortunately, the park could ultimately not be provided on Caltrans land not owned or controlled by the owner of the affordable housing development.

The current application is subject to the regulations of the 1978 Barrio Logan Harbor 101 Community Plan (Community Plan) since the project was deemed complete on October 25, 2022, prior to the California Coastal Commission's certification of the Barrio Logan Community Plan Update. Barrio Logan is within the Coastal Overlay Zone. The 1978 Community Plan for Barrio Logan includes a Local Coastal Program and a Certified Implementation Program.

The project site is in a densely urbanized area of Barrio Logan, bound by Newton Avenue to the east, Main Street to the west, South Evans Street to the south, and California State Route 75 right-of-way to the north. The previously developed site has relatively flat topography, with elevations within the development area ranging from approximately 41 feet above mean sea level (AMSL) to approximately 37 feet AMSL, sloping downward to the west. The project site is not located between the first public road paralleling the Pacific Ocean (Harbor Drive) or the shoreline. It is approximately 350 feet northeast of Harbor Drive, about 1/2 mile southeast of Cesar Chavez Park and Public Pier 19 along the waterfront, and approximately 1 1/2 miles southeast of Embarcadero Marina Park South.

The site is within the Mercado District of the applicable Barrio Logan Redevelopment Plan area, less than a quarter mile from commercial, retail, and mixed-use developments on Cesar E. Chavez Parkway. Local services include the San Diego Community College Cesar E. Chavez Campus, the Mercado Del Barrio center that includes a full-service grocery store, a four-story mixed-use building, and ground-level commercial spaces for retail, restaurants and commercial community services. Barrio Logan Fire-Rescue Station No. 7 is also located along this corridor, along with other established commercial retail establishments and services. The project site is also within a half-mile radius of other community-serving businesses along Logan Avenue and National Avenue east of the project site. Services along these two corridors include retail, restaurants, a community center and a health center located northeast of the project site along National Avenue at the intersection of Beardsley Street and National Avenue.

The project site is also within a quarter-mile radius of multiple Metropolitan Transit System (MTS) transportation routes, including:

- Bus route 929, which runs along Main Street and serves Downtown San Diego, National City, Chula Vista down to the Iris Avenue Transit Station near San Ysidro, with a transit stop located at the intersection of Main Street and Evans Street; and
- Bus route 901, serving downtown San Diego and Coronado with a bus stop located at the intersection of Cesar E. Chavez Parkway and National Avenue, within a quarter mile, northeast of the project site; and
- The Blue Line Trolley (Barrio Logan Station) located near the intersection of Harbor Drive and Cesar E. Chavez Parkway, within a quarter mile, northwest of the project site. The Blue Line runs from University Towne Centre area to the United States/Mexico Border and connects to the San Diego Trolley Orange and Green Lines which serve the regional area.

A Phase I Environmental Site Assessment (ESA) was conducted for the project by Partner Engineering

and Science, Inc. (Partner 2019). The ESA identified a Historical Recognized Environmental Condition (HREC) on the project site. The Site History and Environmental Findings are as follows:

- From the mid-1940s to the late 1980s, San Diego Gas & Electric (SDG&E) operated on portions of the project parcel, storing various chemicals, including chlorinated and non-chlorinated solvents, polychlorinated biphenyls (PCBs) in transformers, paints, vehicle maintenance supplies, pesticides, and herbicides.
- In the 1930s, Glasson Lumber Mill occupied the site and maintained a 280-gallon underground storage tank (UST) at the northern corner of the parcel.
- In 1989, prior to the construction of the existing residential development, environmental investigations detected hydrocarbon contamination, low levels of PCBs, and a corroded 280-gallon UST.
- In 1993, remedial excavation was performed, removing total petroleum hydrocarbon (TPH) contamination to non-detectable levels.
- Additional soil and groundwater testing (April-May 1993) confirmed no detectable concentrations of contaminants beyond a single discrete soil sample, a composite soil sample, and a sample from a blind sump.

Based on the findings, the ESA did not identify any Recognized Environmental Conditions (RECs) associated with the project site. As previously stated, the project site is located within Barrio Logan and does contain a known contamination site. However, the regulatory case was closed by the San Diego County Department of Environmental Health in April 2001 without contingencies or land use restrictions. The release associated with the project parcel is considered a historically recognized environmental condition and would not create a significant hazard to the public or the environment. Due to the presence of past contaminants at the site, soil export would follow the Department of Toxic Substance Control 2015 Preliminary Endangerment Assessment Guidance Manual (California Department of Toxic Substances Control 2015).

## DISCUSSION

### *Location:*

The proposed project is on a 0.98-acre portion of a previously developed 4.34-acre affordable housing development located at 2001 Newton Avenue, west of Interstate 5, south of California State Route 75 (Coronado Bridge), North of Interstate 15, and east of Harbor Drive and the shoreline of San Diego Bay.

### *Existing Zoning:*

The project site is located in the Barrio Logan Community Planning area and, as previously stated, is subject to the regulations of the 1978 Barrio Logan Harbor 101 Community Plan Regulations and the Barrio Logan Planned District Ordinance due to the project's application deemed complete date of October 25, 2022. Therefore, the project is zoned Barrio Logan Planned District (BLPD)-Redevelopment Subdistrict. The Community Plan designates the project site within the existing M-2 Industrial/Commercial/Residential zone as shown on the Existing Zones map, page 118.

The Redevelopment Subdistrict designates land uses and development standards intended to create a compact, small-scale, pedestrian-oriented environment and encourage compatible mixed-use land patterns. The intent of this Subdistrict is to encourage new development, as well as retaining, rehabilitating, and adaptively reusing existing structures. It is further the intent of the Redevelopment Subdistrict to foster quality architecture, landscaping and urban design principles consistent with the objectives of the Redevelopment Plan, and to create an identifiable urban character and community image. The Community Plan identifies several overriding goals and major recommendations, including the goal to “conserve and reinforce the existing living and working community through residential/industrial coexistence and rehabilitation. Rather than totally renew the community, the approach should be to infill the existing community and strengthen its housing, commercial, and industrial assets, as well as recreational, transportation, and open space opportunities. Residential/industrial coexistence is the major goal of the Plan.”

#### *Overlay Zones:*

The development project site lies within the Barrio Logan Planned District Redevelopment-Subdistrict Zone, Coastal (Non-Appealable) Overlay Zone, Airport Land Use Compatibility Overlay Zone (ALUCOZ) for Naval Air Station (NAS) North Island and San Diego International Airport (SDIA), San Diego Promise Zone, and Transit Area Overlay Zone, within the Barrio Logan Community Planning area. It is also within the Airport Influence Area (Review Area 2) for NAS North Island and SDIA, the Federal Aviation Administration (FAA) Part 77 Notification Area for NAS North Island and SDIA, a Parking Standards Transit Priority Area, and the Transit Priority Area.

#### *Community Plan and General Plan Designation:*

The General Plan land use designation for the project site is Multiple Use, which provides housing in a mixed-use setting and serves the commercial needs of the community-at-large, including the industrial and business areas. Integration of commercial and residential use is emphasized; civic uses are an important component. Retail, professional/administrative offices, commercial recreation facilities, service businesses, and similar types of uses are allowed.

The Community Plan designates the project site within the Mercado District land use (Community Plan, Page 219), 1991 Barrio Logan Redevelopment project area (Community Plan, Page 16) with an existing zone designation of M-2 Residential/Commercial/Industrial (Community Plan, Page 118) with development regulations per SDMC Chapter 15, Article 2, Division 3, Barrio Logan Planned District, Redevelopment Subdistrict, SDMC Section 152.0315. The Mercado District land use designation allows various land uses, including residential land use with specific recommendations to create a balanced mix of new housing stock of varied types, including low- and moderate-income housing, and promote neighborhood identity through the rehabilitation of existing residential dwelling units and the addition of new units. Additionally, an Urban Design recommendation to achieve an environment that reflects a high level of concern for architecture, landscape, urban design and land use principles.

#### Project Description:

The project proposes the redevelopment of a 0.98-acre portion of a 4.34-acre site with an existing affordable housing development (Mercado Apartments) located at 2001 Newton Avenue within the Barrio Logan Community Planning Area. The existing site contains 144 apartment dwelling units within 24 residential garden-style apartment buildings, a building for offices and classrooms, and associated

on-site parking and site improvements permitted by Barrio Logan/Coastal Development Permit No. 92-0490, adopted by the City Council on March 23, 1993. Construction of the existing Mercado Apartments was completed in 1995. The proposed redevelopment includes the demolition of two (2) two-story apartment buildings containing 12 dwelling units totaling approximately 12,000 square feet (SF), a surface parking lot and a trash enclosure, and the construction of a 92-dwelling unit four-story apartment building totaling 100,169 SF with a 5,886-square-foot outdoor courtyard and plaza space, accessory common areas, administrative offices, and associated site improvements. The proposed 92 dwelling units will increase the number of dwelling units to 224 dwelling units. All of the proposed 92-dwelling unit multi-family apartment building will be dedicated as affordable housing, to include the following:

- 30 one-bedroom units (550 SF each)
- 38 two-bedroom units (750 SF each)
- 24 three-bedroom units (930 SF each)

All units would be income-restricted to at or below 60-percent (60%) Area Median Income (AMI). The proposed amendment also proposes to modify two permit conditions from the previously issued permit (Barrio Logan/Coastal Development Permit 92-0490):

- Reducing the number of required parking spaces for the development from 212 off-street parking spaces to 94 off-street parking spaces; and
- Removing the requirement for the previously proposed Urban Park (extension to Chicano Park) on the adjacent 1.28-acre area located under the Coronado Bridge (State Highway 75 right-of-way) owned and managed by the California Department of Transportation (Caltrans).

The project site is within an urbanized neighborhood with various uses, including a mixed-use development with commercial, retail, and residential uses. Chicano Park is located northeast of the project site, various light industrial and manufacturing uses surround the project site, a mix of single-family and multi-family residential dwelling units are located east and south of the project site, and a Caltrans staging facility is located northwest of the project site. Surrounding architecture is a mixture of styles reflective of the various eras of development within the Barrio Logan Community which include Bungalow style homes from the early 1900's, Mission Revival facades and False-Front facades for commercial buildings along with Quonset Huts, Contemporary style and Utilitarian Industrial style buildings for light industrial and warehouse uses predominantly west of the project site along Main Street. The project proposes a contemporary architecture style that complements the style of the existing two-story garden-style apartment buildings and the surrounding area. The proposed four-story building is consistent with the contemporary style of architecture for the Mercado Mixed-Use building located a block away at the intersection of Newton Avenue and Cesar E. Chavez Parkway.

The proposed landscaping conforms to the applicable Community Plan and the City of San Diego Landscape Regulations, SDMC Section 152.0401, by proposing enhanced paving for the pedestrian entry and courtyard, and utilizing low water use plant material that is complementary to the existing planting scheme along Main Street and Evans Street that is vibrant in color and embraces the culture and vitality of the Mercado District.

By complementing the established architecture of the area and enhancing landscaping along the frontage streets, the project meets the Community Plan Urban Design goal of enhancing landscaping

along public streets and providing a development that rehabilitates existing residential and provides new residential opportunities with a scale that is consistent with existing development. The project would be consistent with the scale of existing developments by proposing a building that is four stories tall with a height of 40 feet, eight inches in conformance with the 50-foot maximum building height limit (not to exceed four stories) as shown in [Figure 4, SDMC Section 152.0319](#) and consistent with existing multi-story developments located north of the project site along Cesar E. Chavez Parkway.

The project preserves the existing circulation framework of Barrio Logan, reinforcing a compact, walkable, and mixed-use village character at various scales. The project incorporates courtyard-oriented site planning, regionally inspired building colors, and architectural detailing that reflects the area's cultural heritage. The main entry along South Evans Street will lead into the courtyard through a three-story volume, accentuated by a red triangular arch, creating a strong visual identity. On Main Street, the building façade will be highlighted by a projecting fourth-floor balcony, offering expansive views of San Diego Bay, further reinforcing a connection to the surrounding urban environment. While San Diego Bay serves as the area's dominant visual feature, industrial development located west of the project site largely obstructs views from the ground level.

As previously stated, the project site has relatively flat topography. The Geotechnical investigation report prepared by Leighton and Associates, dated December 9, 2021, and reviewed and accepted by staff, identified that the site is underlain by undocumented artificial fill and Quaternary-aged Old Paralic Deposits. Additionally, the project site is located within a California State-mapped Earthquake Fault Zone (EFZ), the Silver Strand section of the Newport-Inglewood Rose Canyon fault zone, but the site is not underlain by known faults; therefore, potential for surface rupture from faulting is considered low for the project site. The project site is not located within a floodplain, and the potential for flooding of the site is considered low. The geotechnical investigation report describes that, based on the information provided by the Architect, the project would include limited ground disturbance with cuts and fills of one to three feet, and conventional foundations would be considered suitable for the support of the proposed improvements (Leighton and Associates, Geotechnical Investigation, December 9, 2021, Recommendations pages 14-22).

#### Approvals Required:

Due to process consolidation, all actions are processed concurrently as a Process Three, Hearing Officer decision. Development of the proposed project requires:

- A Site Development Permit per [SDMC Section 126.0502\(c\)\(1\)](#) is required since the site is located within the Redevelopment Subdistrict of the Barrio Logan Planned District as shown in the 1978 Barrio Logan Harbor 101 Community Plan; and
- A Coastal Development Permit per [SDMC Section 126.0702\(a\)](#) is required for development within the Coastal Overlay Zone.
- An amendment to Barrio Logan/Coastal Development Permit No. 92-0490.

The proposed project would be in conformance with the applicable regulations of the Community Plan and the Land Development Code, including allowable deviations in the form of waivers from the following regulations:



1. Deviation from [SDMC Section 152.0319\(e\)\(1\)\(A\)](#) to allow for a seven-foot window height instead of a 12-foot window height extending from the top of the sidewalk surface;
2. Deviation from [SDMC Section 152.0319\(e\)\(1\)\(B\)](#) to remove the requirement for pedestrian access from both the abutting street and rear parking areas, whereas the project will provide direct access from the abutting street; and
3. Deviation from [SDMC Section 152.0319\(f\)\(1\)](#) to remove the requirement for façade building stepbacks for buildings having three or more stories.

The project aligns with local and regional affordable housing goals, providing long-term, income-restricted housing options to support economic diversity and housing equity within the Barrio Logan community. It conforms to the established setbacks and permit conditions of the prior approval, with the exception of the requested waivers and amendments described above. The project will provide a 12-foot-six-inch setback from South Evans Street and a 10-foot setback from Main Street, as shown in Attachment 9. The project conforms to the Redevelopment Subdistrict Property Development Regulations, SDMC Section 152.0319, including, but not limited to:

1. A lot area of 4.34 acres (189,113 SF) where the minimum required lot area is 3,500 SF.
2. A street frontage of approximately 600 feet along Newton Avenue and Main Street and approximately 300 feet along Evans Street, where the required street frontage is 25 feet.
3. A lot width of approximately 600 feet fronting Newton Avenue and Main Street, where the requirement for a corner lot is 25 feet.
4. The regulations require a 100-foot lot depth where the project site has a lot depth of approximately 300 feet (fronting Evans Street).

The requested deviations from the regulations would be granted as waivers for the provision of affordable housing in accordance with the Affordable Housing Density Bonus Regulations of Chapter 14, Article 3, Division 7 of the SDMC. The requested deviation from the window height requirements would not be detrimental to the goals and policies of the Community Plan or the regulations of the Barrio Logan Planned District due to the articulation and contemporary architecture of the proposed four-story building. The proposed building design aligns with Urban Designs objective of achieving an environment that reflects a high level of concern for architecture, landscape, urban design and land use principles by proposing a project that is consistent with mixed-use developments located within a quarter-mile north of the project site with a similar architectural style and color palette. Additionally, the project will incorporate a landscape design that is in conformance with the Community Plan and the City of San Diego Landscape Regulations, SDMC Section 152.0401, by proposing enhanced paving for their pedestrian entry and courtyard, and utilizing low water use plan material that is complementary to the existing planting scheme along Main Street and South Evans Street that is vibrant in color and embraces the culture and vitality of the Mercado District. The project proposes to maintain existing street trees along both frontage streets and provide additional trees to maintain and improve the tree canopy along the public sidewalks that front the project site. By complementing the established architecture of the area and enhancing landscaping along the frontage streets, the project assists meeting the urban design goal of enhancing landscaping along public streets and

providing a development that rehabilitates existing residential and provides new residential opportunities with a scale that is consistent with existing development.

The requested deviation related to access from abutting streets and rear parking areas can be supported as the project will consist of a four-story building which will eliminate internal parking spaces, eliminating the need for access from rear parking areas. The internal parking to remain on the northwestern portion of the site will continue to be in conformance with the previously issued development permit. The deviation to waive the requirement for façade building stepbacks for buildings having three or more stories can be supported in exchange for the provision of additional affordable dwelling units through maximizing the overall building footprint to a height of four-stories. Lastly, the requested amendments to Barrio Logan/Coastal Development Permit 92-0490 can be supported in exchange for the provision of additional affordable dwelling units within an established affordable housing development, the proximity of the project site to public regional transit and due to the previously identified extension to Chicano Park being owned by the Caltrans and not subject to control of the applicant or a part of the property owned by the applicant.

#### Community Plan Analysis:

The Community Plan designates the project site within the M-2 Industrial/Commercial/Residential zone as shown on the Existing Zones map, page 118. The Redevelopment Subdistrict designates land uses and development standards intended to create a compact, small-scale, pedestrian-oriented environment and encourages compatible mixed-use land patterns. The intent of the Redevelopment Subdistrict is to encourage new development, as well as retaining, rehabilitating, and adaptively reusing existing structures. It is further the intent of the Redevelopment Subdistrict to foster quality architecture, landscaping and urban design principles consistent with the objectives of the Redevelopment Plan, and to create an identifiable urban character and community image. The Community Plan identifies several overriding goals and major recommendations, including the goal to “conserve and reinforce the existing living and working community through residential/industrial coexistence and rehabilitation. Rather than totally renew the community, the approach should be to infill the existing community and strengthen its housing, commercial, and industrial assets, as well as recreational, transportation, and open space opportunities. Residential/industrial coexistence is the major goal of the Plan.” The proposed project achieves this goal by providing a residential infill project on an existing site that includes affordable housing.

The Land Use section of the Community Plan identifies recommendations for residential uses to include the following:

- Retain and enhance the residential environment of the community.
- Establish a housing rehabilitation program in the community.
- Provided expanded housing development opportunities in the community.

The Housing Element of the General Plan echoes the recommendations of the Community Plan, and the proposed project supports these recommendations by proposing an infill project that includes rehabilitation of the existing two-story garden-style dwelling units and an increase in the number of dwelling units for the overall project site. By adding additional dwelling units at the project location, the project will assist in ensuring the viability of local businesses within walking distance from the project site, as discussed in the recommendations of the Community Plan.

The Community Plan recommends the expansion of the Barrio Logan population by encouraging the development of new housing in the area for low- and moderate-income families, both through private rehabilitation and through various housing assistance programs. An increase in the residential population is needed to increase the economic viability of the community in terms of its ability to support a minimum level of commercial services. The proposed project supports this recommendation by providing an increase in affordable housing dwelling units on a site that is part of an existing housing assistance program with dwelling units available for various income levels.

The Community Plan includes an Urban Design Element which focuses on visual development, environmental compatibility of uses, and general urban design character designations in the community. The proposed project design is consistent with the Community Plan recommendations by proposing a building height of 40-feet-eight inches in conformance with the 50-foot maximum building height limit and consistency with existing multi-story mixed-use developments located north of the project site along Cesar E. Chavez Parkway.

Additionally, the project will incorporate a landscape design that is in conformance with the Community Plan and the City of San Diego Landscape Regulations, SDMC Section 152.0401, by proposing enhanced paving for their pedestrian entry and courtyard, and utilizing low water use plan material that is complimentary to the existing planting scheme along Main Street and South Evans Street that is vibrant in color and embraces the culture and vitality of the Mercado District. The project proposes to maintain existing street trees along both frontage streets and provide additional trees to maintain and improve the tree canopy along the public sidewalks that front the project site. By complementing the established architecture of the area and enhancing landscaping along the frontage streets, the project is assisting in meeting the urban design goal of enhancing landscaping along public streets.

#### Environmental Analysis:

A Mitigated Negative Declaration (MND), 696585 SCH No. 2025020359, has been prepared for the project in accordance with State of California Environmental Quality Act (CEQA) Guidelines. A Mitigation, Monitoring and Reporting Program (MMRP) has been prepared and will be implemented upon adoption and project approval to reduce to below a level of significance any potential impacts from noise as identified in the environmental review process.

The Initial Study (IS) identified a Potentially Significant Impact related to noise from the project during demolition activities and construction of the proposed four-story building. As stated above, an MMRP has been prepared and will be implemented with mitigation measures to reduce any potential impacts to below a level of significance.

#### Community Planning Group:

On February 15, 2024, the Barrio Logan Planning Group voted 6-2 to recommend DENIAL of the proposed project. Issues raised by the planning group include concerns about the project removing off-street parking spaces from the project site, thus impacting street parking surrounding the project site. Discussion included requesting the consideration of underground parking or parking integrated into the proposed building. (Attachment 9). Staff reviewed the issue raised by the Barrio Logan Planning Group and determined that staff could support the reduction in parking due to the project

site being located within a Transit Priority Area, with established regional transit options located within a quarter-mile radius of the project site.

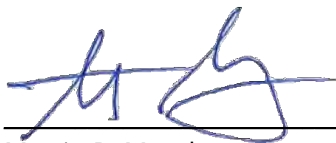
Conclusion:

City staff has determined that the project is consistent with the Community Plan and regulations of the Land Development Code, including the allowed deviations described above. Staff has provided draft findings and conditions to support approval of the project (Attachments 4 and 5) and recommends that the Hearing Officer approve the project and adopt the Mitigated Negative Declaration and associated Mitigation, Monitoring and Reporting Program.

ALTERNATIVES

1. ADOPT Mitigated Negative Declaration No. 696585 and the associated Mitigation, Monitoring and Reporting Program, APPROVE Site Development Permit No. PMT-2592302, APPROVE Coastal Development Permit No. PMT-2580639, and APPROVE an amendment to Barrio Logan/Coastal Development Permit No. 92-0490, with modifications.
2. DO NOT ADOPT Mitigated Negative Declaration No. 696585 and the associated Mitigation, Monitoring and Reporting Program, DENY Site Development Permit No. PMT-2592302, DENY Coastal Development Permit No. PMT-2580639, and DENY an amendment to Barrio Logan/Coastal Development Permit No. 92-0490, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,



Martin R. Mendez  
Development Project Manager  
Development Services Department

Attachments:

1. Project Location Map
2. Aerial Photographs
3. Community Plan Land Use Map
4. Draft Permit with Conditions
5. Draft Permit Resolution with Findings
6. Draft Environmental Resolution with MMRP (MND)
7. Ownership Disclosure Statement
8. Previously Issued Barrio Logan/Coastal Development Permit No. 92-0490
9. Project Plans
10. Community Planning Group Recommendation and Meeting Minutes
11. [Mitigated Negative Declaration No. 696585 SCH No. 2025020359](#)