




THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 6, 2025

TO: Hearing Officer Fernandez

FROM: Martin R. Mendez, Development Project Manager III, Development Services
Department 

SUBJECT: Item No. 1, Project No. PRJ-0696585, Mercado Apartments, Staff Report
Correction, Permit Condition addition

Esteemed Hearing Officer Fernandez,

Staff have identified inconsistencies in the information provided under the Housing Impact Statement of the Staff Report for the Hearing Officer Meeting of May 7, 2025 dated April 30, 2025. The section of the Staff Report is hereby revised as follows (Edits are in ~~Strike-out~~ and Underline):

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, and low-income, ~~and moderate-income~~ households below 50 percent, and 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~~ Transportation Priority area and may obtain an unlimited density bonus under San Diego Municipal Code (SDMC) 143.0720. The project is eligible for five (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 no more than 30 percent to 60 percent of AMI-Area Median Income or below 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. Additionally, in accordance with [City Council Resolution No.](#)

R-316131, the project would provide 222 affordable dwelling units to low-income households. Two additional dwelling units would be provided for on-site property managers.

Additionally, staff have added General Condition No. 13 to the draft permit to include the following condition and renumber the subsequent conditions as necessary:

13. This permit shall conform to the provisions of Resolution No. R-316131 of the Council of the City of San Diego, adopted on March 25, 2025.

Attachments:

1. Updated Staff Report
2. Draft Permit



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, and low-income, ~~and moderate-income~~ households below 50 percent, ~~and 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~~ Transportation Priority area and may obtain an unlimited density bonus under San Diego Municipal Code (SDMC) 143.0720. The project is eligible for five (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 no more than 30 percent to 60 percent of AMI ~~Area Median Income or below~~ 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. Additionally, in accordance with City Council Resolution No. R-316131, the project would provide 222 affordable dwelling units to low-income households. Two additional dwelling units would be provided for on-site property managers.

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 setbacks 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](#)

RECORDING REQUESTED BY
CITY OF SAN DIEGO
DEVELOPMENT SERVICES
PERMIT INTAKE,
MAIL STATION 501

WHEN RECORDED MAIL TO
PROJECT MANAGEMENT
PERMIT CLERK
MAIL STATION 501

INTERNAL ORDER NUMBER: 24009026

SPACE ABOVE THIS LINE FOR RECORDER'S USE

COASTAL DEVELOPMENT PERMIT NO. PMT-2580639

SITE DEVELOPMENT PERMIT NO. PMT-2592302

MERCADO APARTMENTS - PROJECT NO. PRJ-0696585

(AMENDMENT TO BARRIO LOGAN/COASTAL DEVELOPMENT PERMIT NO. 92-0490)

HEARING OFFICER

This Coastal Development Permit No. PMT-2580639 and Site Development Permit No. PMT-2592302 amendment to Barrio Logan/Coastal Development Permit No. 92-0490 is granted by the Hearing Officer of the City of San Diego to Mercado 2019 LP, a California Limited Partnership, Owner/Permittee, pursuant to San Diego Municipal Code [SDMC] sections 126.0702 and 152.0202(b)(1) for development within the Coastal Overlay Zone and for development within the Redevelopment Subdistrict of the Barrio Logan Planned District. The proposed project site is a 0.98-acre portion of a 4.34-acre parcel located at 2001 Newton Street in 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), Airport Influence Area (Review Area 2) for NAS North Island and SDIA, Federal Aviation Administration (FAA) Part 77 Notification Area for NAS North Island and SDIA, San Diego Promise Zone, Transit Area Overlay Zone, Parking Standards Transit Priority Area, and Transit Priority Area within the Barrio Logan Community Planning area. Development of the site is governed by Barrio Logan/Coastal Development Permit No. 92-0490 and the Barrio Logan Planned Development Ordinance (SDMC Chapter 15, Article 2, Division 1). The project site is legally described as: PARCEL 1 OF PARCEL MAP NO. 17172, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY JUNE 29, 1993, AS FILE NO. 1993-0414075 OF OFFICIAL RECORDS. ASSESSOR'S PARCEL NUMBER (APN): 538-672-04-00.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner/Permittee for the demolition of (two) two-story apartment buildings, a parking lot and a trash enclosure; and the construction of a four-story residential apartment building with outdoor courtyard and plaza space, accessory common areas, administrative offices, and associated site improvements subject to the City's land use regulations described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated May 7, 2025, on file in the Development Services Department.

The project shall include:

- a. The demolition of two (2) two-story apartment buildings (with 12 dwelling units) totaling approximately 12,000 square feet (SF), a parking lot and a trash enclosure;
- b. The construction of a four-story, 92 dwelling unit, residential apartment building totaling 100,169 SF with 5,886-square-foot outdoor courtyard and plaza space, accessory common areas, and administrative offices. The overall 4.34-acre site with the proposed 92 dwelling units will include an overall total of 224 dwelling units;
- c. The project is requesting deviations in the form of waivers from the following requirements:
 - i. 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;
 - ii. Deviation from SDMC Section 152.0319(e)(1)(B) to remove the requirement of every dwelling unit to have direct pedestrian access from both the abutting street and rear parking areas, whereas the project will provide direct access from the abutting streets (Main Street and South Evans Street) for the proposed four-story building, access from rear parking areas will not be provided; and
 - iii. SDMC Section 152.0319(f)(1) to remove the requirement for façade building stepbacks for buildings having three or more stories.
- d. A reduction of the required parking spaces for Barrio Logan/Coastal Development Permit No. 92-0490 from 212 off-street parking spaces to 94 off-street parking spaces for the overall site;
- e. Landscaping (planting, irrigation and landscape-related improvements); and
- f. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer's requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC.

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36-month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by May 21, 2028.

2. No permit for the construction, occupancy, or operation of any facility or improvement described herein shall be granted, nor shall any activity authorized by this Permit be conducted on the premises until:

- a. The Owner/Permittee signs and returns the Permit to the Development Services Department; and
- b. The Permit is recorded in the Office of the San Diego County Recorder.

3. While this Permit is in effect, the subject property shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision-maker.

4. This Permit is a covenant running with the subject property and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.

5. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.

6. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

7. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

8. Construction plans shall be in substantial conformity to Exhibit "A." Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

9. All of the conditions contained in this Permit have been considered and were determined necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner/Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" condition(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall

have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

10. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney's fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney's fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.

11. This Permit may be developed in phases. Each phase shall be constructed prior to sale or lease to individual owners or tenants to ensure that all development is consistent with the conditions and exhibits approved for each respective phase per the approved Exhibit "A."

12. Upon recordation and utilization of this permit the following conditions from Barrio Logan/Coastal Development Permit No. 92-0490 are hereby amended:

- a) Condition No. 3 is revised to reduce the number of required off-street parking spaces from 212 parking spaces to 149 parking spaces in accordance with the approved Exhibit "A" made part of this permit.
- b) Condition No. 28 for the final design of a previously proposed urban park is hereby removed from requirements for Barrio Logan/Coastal Development Permit No. 92-0490.

All other permit conditions from Barrio Logan/Coastal Development Permit No. 92-0490 shall remain as approved by the City Council of the City of San Diego.

13. This permit shall conform to the provisions of Resolution No. R-316131 of the Council of the City of San Diego, adopted on March 25, 2025.

ENVIRONMENTAL/MITIGATION REQUIREMENTS:

14. Mitigation requirements in the Mitigation, Monitoring, and Reporting Program [MMRP] shall apply to this Permit. These MMRP conditions are hereby incorporated into this Permit by reference.

15. The mitigation measures specified in the MMRP and outlined in Mitigated Negative Declaration No. PRJ-0696585, shall be noted on the construction plans and specifications under the heading ENVIRONMENTAL MITIGATION REQUIREMENTS.

16. The Owner/Permittee shall comply with the MMRP as specified in Mitigated Negative Declaration No. 0696585/SCH no. 2025020359 to the satisfaction of the Development Services Department and the City Engineer. Prior to issuance of any construction permit, all conditions of the MMRP shall be adhered to, to the satisfaction of the City Engineer. All mitigation measures described in the MMRP shall be implemented for the following issue areas:

- Noise

CLIMATE ACTION PLAN REQUIREMENTS:

17. Owner/Permittee shall comply with the Climate Action Plan (CAP) Consistency Checklist stamped as Exhibit "A." Prior to issuance of any construction permit, all CAP strategies shall be noted within the first three (3) sheets of the construction plans under the heading "Climate Action Plan Requirements" and shall be enforced and implemented to the satisfaction of the Development Services Department.

AFFORDABLE HOUSING REQUIREMENTS:

18. Prior to the issuance of any building permits, the Owner/Permittee shall enter into an affordable housing agreement with the San Diego Housing Commission to provide affordable housing units in compliance with the City's Inclusionary Affordable Housing Regulations (SDMC § 142.1301 et seq.).

19. Prior to issuance of any building permit associated with this Project, the Owner/Permittee shall demonstrate compliance with the provisions of the Affordable Housing Density Bonus Regulations of Chapter 14, Article 3, Division 7 of the SDMC; Inclusionary Affordable Housing Regulations of SDMC Chapter 14, Article 2, Division 13; and the Coastal Overlay Zone Affordable Housing Replacement Regulations of Chapter 14, Article 3, Division 8. 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 which 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 dwelling units affordable to Very Low-Income households with rents of no more than 30-percent of 50-percent of AMI, and 32 dwelling units affordable to Low-Income households with rents of no more than 30-percent of 60-percent AMI, for no fewer than 55 years.

20. Prior to issuance of any building or demolition permit associated with this Project, the Owner/Permittee shall demonstrate compliance with the provisions of the Dwelling Unit Protections Regulations of Chapter 14, Article 3, Division 12 of the SDMC and the Coastal Overlay Zone Affordable Housing Replacement Regulations of Chapter 14, Article 3, Division 8 of the SDMC.

21. Prior to issuance of any building or demolition permit, the project must obtain approval from the San Diego Housing Commission (SDHC) Board of Commissioners and, if deemed necessary, Housing Authority as well as any other lenders' governing bodies.

AIRPORT REQUIREMENTS:

22. Prior to the issuance of any building permits, the Owner/Permittee shall provide a copy of the signed agreement [DS-503] and show certification on the building plans verifying that the structures do not require Federal Aviation Administration [FAA] notice for Determination of No Hazard to Air Navigation, or provide an FAA Determination of No Hazard to Air Navigation as specified in Information Bulletin 520.

ENGINEERING REQUIREMENTS:

23. Development of this project shall comply with all stormwater construction requirements of the State Construction General Permit Order No. 2022-0057-DWQ. In accordance with Order No. 2022-0057-DWQ or subsequent order, a Risk Level Determination shall be calculated for the site and a Stormwater Pollution Prevention Plan (SWPPP) shall be implemented concurrently with the commencement of grading activities.

24. Development of this project shall comply with all permanent stormwater requirements of Municipal Stormwater Permit No. 2013-0001, or subsequent order, and the current version of the City of San Diego's Stormwater Standards Manual.

25. Prior to the issuance of any building permits, the Owner/Permittee shall obtain a bonded grading permit for the grading proposed for this project. All grading shall conform to the requirements of the City of San Diego Municipal Code in a manner satisfactory to the City Engineer.

26. Prior to the issuance of any building permit the Owner/Permittee shall obtain an Encroachment Maintenance and Removal Agreement (EMRA), from the City Engineer, for the landscape/irrigation and outlets in Main Street Right-of-Way.

27. Prior to the issuance of any building permit the Owner/Permittee shall obtain an Encroachment Maintenance and Removal Agreement (EMRA), from the City Engineer, for the landscape/irrigation in Evans Street Right-of-Way.

28. Prior to the issuance of any building permit, the Owner/Permittee shall assure by permit and bond the closure of the existing driveway with current City Standard curb, gutter, and sidewalk adjacent to the site on Evans Street satisfactory to City Engineer.

29. Prior to the issuance of a grading or a construction permit, a copy of the Notice of Intent (NOI) with a valid Waste Discharge ID number (WDID#) shall be submitted to the City of San Diego as proof of enrollment under the Construction General Permit. When ownership of the entire site or portions of the site changes prior to filing of the Notice of Termination (NOT), a revised NOI shall be submitted electronically to the State Water Resources Board in accordance with the provisions as set forth in Section II.C of Order No. 2022-0057-DWQ and a copy shall be submitted to the City.

LANDSCAPE REQUIREMENTS:

30. Prior to issuance of any construction permit for grading, the Owner/Permittee shall submit complete construction documents for the revegetation and hydro-seeding of all disturbed land in accordance with the City of San Diego Landscape Standards, Storm Water Design Manual, and to the satisfaction of the Development Services Department. All plans shall be in substantial conformance to this permit (including Environmental conditions) and Exhibit "A," on file in the Development Services Department.

31. Prior to issuance of any construction permit for public improvements, the Owner/Permittee shall submit complete landscape construction documents for right-of-way improvements to the Development Services Department for approval. Improvement plans shall show, label, and dimension a 40-square-foot area around each tree which is unencumbered by utilities. Driveways, utilities, drains, water and sewer laterals shall be designed so as not to prohibit the placement of street trees.

32. Prior to issuance of any construction permit for building (including shell), the Owner/Permittee shall submit complete landscape and irrigation construction documents, which are consistent with the Landscape Standards, to the Development Services Department for approval. The construction documents shall be in substantial conformance with Exhibit "A," Landscape Development Plan, on file in the Development Services Department. Construction plans shall provide a 40-square-foot area around each tree that is unencumbered by hardscape and utilities unless otherwise approved per SDMC §142.0403(b)(6).

In the event that a "foundation only" permit is requested by the Owner/Permittee, a site plan or staking layout plan, shall be submitted to the Development Services Department identifying all landscape areas consistent with Exhibit "A," Landscape Development Plan, on file in the Development Services Department. These landscape areas shall be clearly identified with a distinct symbol, noted with dimensions, and labeled as 'landscaping area.'

33. The Owner/Permittee shall be responsible for the maintenance of all landscape improvements shown on the approved plans, including in the right-of-way, unless long-term maintenance of said landscaping will be the responsibility of another entity approved by the Development Services Department. All required landscaping shall be maintained consistent with the Landscape Standards in a disease, weed, and litter-free condition at all times. Severe pruning or "topping" of trees is not permitted.

34. If any required landscape (including existing or new plantings, hardscape, landscape features, etc.) indicated on the approved construction documents is damaged or removed, the Owner/Permittee shall repair and/or replace in kind and equivalent size per the approved documents to the satisfaction of the Development Services Department within 30 days of damage or Certificate of Occupancy.

PLANNING/DESIGN REQUIREMENTS:

35. A topographical survey conforming to the provisions of the SDMC may be required if it is determined, during construction, that there may be a conflict between the building(s) under construction and a condition of this Permit or a regulation of the underlying zone. The cost of any such survey shall be borne by the Owner/Permittee.

36. All signs associated with this development shall be consistent with sign criteria established by either the approved Exhibit "A" or City-wide sign regulations.

37. All private outdoor lighting shall be shaded and adjusted to fall on the same premises where such lights are located and in accordance with the applicable regulations in the SDMC.

TRANSPORTATION REQUIREMENTS

38. All automobile, motorcycle and bicycle parking spaces must be constructed in accordance with the requirements of the SDMC. All on-site parking stalls and aisle widths shall be in compliance with requirements of the City's Land Development Code and shall not be converted and/or utilized for any other purpose, unless otherwise authorized in writing by the appropriate City decision maker in accordance with the SDMC.

39. Prior to first occupancy, the Owner/Permittee shall provide and maintain the following Transportation Amenities, as shown on Exhibit A:

40.

- a. An On-site Transit and Rideshare Information Kiosk; and
- b. An on-site bicycle repair station installed, properly maintained, and in a well-lit area, near the street frontage and must include, at a minimum, a bike pump, English and Metric Allen wrenches, pedal wrench, headset wrench, tire levers and screwdrivers;
- c. A private outdoor fitness circuit.

All improvements shall be completed and operational prior to first occupancy.

PUBLIC UTILITIES DEPARTMENT REQUIREMENTS:

41. Prior to the issuance of any building permits, if it is determined during the building permit review process the existing water and sewer service will not be adequate to serve the proposed project, the Owner/Permittee shall, assure by permit and bond, the design and construction of new water and sewer service(s) outside of any driveway or drive aisle and the abandonment of any existing unused water and sewer services within the right-of-way adjacent to the project site, in a manner satisfactory to the Public Utilities Director and the City Engineer.

42. Prior to the issuance of any building permit, the Owner/Permittee shall install appropriate private backflow prevention device(s) (BFPDs), on each water service (domestic, fire and irrigation), in a manner satisfactory to the Public Utilities Director and the City Engineer. BFPDs shall be located

above ground on private property, in line with the service and immediately adjacent to the right-of-way.

43. All proposed private water and sewer facilities are to be designed to meet the requirements of the California Uniform Plumbing Code and will be reviewed as part of the building permit plan check.

44. No trees or shrubs exceeding three feet in height at maturity shall be installed within ten feet of any sewer facilities and five feet of any water facilities.

WASTE MANAGEMENT PLAN REQUIREMENTS:

45. The Owner/Permittee shall comply with the Waste Management Plan prepared by Helix Environmental Planning, Inc., dated April 2023, and shall be enforced and implemented to the satisfaction of the City of San Diego Environmental Services Department.

INFORMATION ONLY:

- The issuance of this discretionary permit alone does not allow the immediate commencement or continued operation of the proposed use on site. Any operation allowed by this discretionary permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.
- Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.
- This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Hearing Officer of the City of San Diego on May 7, 2025, and [Approved Resolution Number].

ATTACHMENT 4

Coastal Development Permit No. PMT-2580639
Site Development Permit No. PMT-2592302
Date of Approval: May 7, 2025

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

Martin R. Mendez
Development Project Manager

**NOTE: Notary acknowledgment
must be attached per Civil Code
section 1189 et seq.**

The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

Mercado 2019 LP,
a California Limited Partnership
Owner/Permittee

By _____
NAME
TITLE

**NOTE: Notary acknowledgments
must be attached per Civil Code
section 1189 et seq.**