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Transformational Sports Arena Redevelopment Project Advances Toward Final Decisions

MIDWAY RISING PROJECT INCLUDES THOUSANDS OF AFFORDABLE HOMES, WORLD-CLASS ENTERTAINMENT CENTER, PARKS AND SHOPS

SAN DIEGO – Midway Rising, which aims to transform the approximately 49-acre Sports Arena site in the Midway district into a vibrant mixed-use community hub with the largest affordable housing development in the history of California, is advancing to a series of public hearings leading to final City Council consideration of the project later this fall.

On Thursday, Sept. 25, the City of San Diego Planning Commission will hold a [public hearing](#) to review the proposed land-use actions associated with the project and provide a recommendation to the City Council.

The proposed project includes the development of an entirely new walkable neighborhood with:

- 2,000 affordable apartment homes dedicated [to households earning 80% of the area median income or below](#). For example, a family of four with an annual household income of up to \$132,400 would qualify to rent an affordable home for no more than 30% of their annual income.
- 2,250 market-rate apartment homes
- Sustainable building features incorporated into all buildings within the project
- A modern, 16,000-seat entertainment center, replacing the aging Pechanga Arena, which currently seats 14,000 people
- 14.5 acres of parks and public spaces
- A mixed-use entertainment, arts and cultural district that includes 130,000 square feet of shops and restaurants
- Infrastructure improvements on- and off-site, including roadways, bike paths and transit facilities

The Midway Rising team, which includes housing developer Chelsea Investment Corporation, sports venue developer and operator Legends, market-rate housing developer Zephyr and equity investor The Kroenke Group, offered the highest total number of affordable housing units among contenders to

redevelop the site. Additionally, City staff recommended selecting Midway Rising based on their collective development experience and financial capabilities.

“This project is on track to completely revitalize the Midway District by adding an upgraded new sports arena in addition to over 4,000 new homes, nearly half of which will be affordable housing,” said Councilmember Jennifer Campbell, who represents the Midway District. **“In the state of California, we have yet to see an affordable housing development of this magnitude, and I am proud that San Diego will be the first to build a project of this scale. This is not a small task, but I am proud of the progress we have made so far to get to this point, and I look forward to continuing to support our partners at Chelsea, Legends, Zephyr, and The Kroenke Group as they bring this project to the Planning Commission and the City Council once more.”**

In September 2021, the City Council declared the land surplus under the definition spelled out by the California Department of Housing and Community Development (HCD), and the City began the required notification process.

Five submittals were deemed responsive, and the City began the statutory 90-day good faith negotiating period with them. After the negotiating period ended, and in agreement with the HCD, staff presented a recommendation to the Land Use and Housing Committee to shortlist three teams.

In May 2022, the Council approved moving forward with those three teams to a due diligence phase. That September, the City Council selected the Midway Rising team to redevelop the Sports Arena site.

Over the past three years, the City and the Midway Rising team have worked to fine-tune the project's details, develop a comprehensive project plan and conduct an environmental analysis under the California Environmental Quality Act. The Midway Rising team also held public workshops in each of San Diego's nine City Council districts to gather input from community members. City staff also provided quarterly updates to the City Council.

“The economic potential of redeveloping this site is tremendous,” said Economic Development Director Christina Bibler. **“This project will generate thousands of jobs, significantly boost local revenue and unlock the value of underutilized City-owned land. By creating such a large volume of new housing opportunities—especially affordable homes—we’re not only addressing a critical need but also laying the foundation for long-term neighborhood economic vitality. Revitalizing this area, which hasn’t seen major investment since the 1960s, will create a sustainable economic engine for generations to come.”**

During Thursday's public hearing, the [Planning Commission](#) will consider establishing the Midway Rising Entertainment Center District and other land use entitlements that will guide housing and infrastructure improvements that will occur over the duration of the project, including a thirty-year Development

Agreement with the City. Planning Commission meetings can be viewed on the City's [Public Hearing YouTube channel](#) for those unable to attend in person.

The Planning Commission will first consider the land use entitlements for the project, while the City's real estate negotiations with the development team, including the lease for the City land, are nearing completion.

If approved, Midway Rising anticipates breaking ground on the project in 2026.



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