

For Sale | Multifamily Development Site 5th & Cedar Street - San Diego



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Gaslamp District

Little Italy

B STREET

A STREET

ASH STREET

4TH AVENUE

5TH AVENUE

Planned Park

California Western School of Law

SITE



Executive Summary

Offering:

Colliers International is pleased to offer for sale a 15,349 sf development site at 5th & Cedar St, four blocks to Little Italy and one block to Balboa Park. The property has great westside location two blocks to the California Western School of Law with 900 law students. Ralphs Grocery store is a few blocks south and the neighborhood has great local restaurants, shops, and cafes. The 5th & Cedar site offers views of the Downtown skyline, San Diego Bay and Balboa Park.

Neighborhood Amenities :

5th & Cedar offers a great Live-Work-Play lifestyle and is near the Gaslamp District, Petco Park and Little Italy. Recreation options nearby include San Diego Bay, the Waterfront Park, Balboa Park and several neighborhood Parks.

Employment:

Downtown is a major employment center with 11,000,000 sf of space and is close to other major centers like Mission Valley, Kearny Mesa, UTC and Sorrento Mesa.

With a great westside location, strong market fundamentals and vibrant amenities, 5th & Cedar is an excellent development opportunity.

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GROSS FLOOR AREA

GROSS FLOOR AREA					
HABITABLE AREA					
	RESIDENTIAL				56,958 SF
	RETAIL				1,526 SF
	LOBBY / OFFICE				2,239 SF
	AMENITY				630 SF
	TOTAL RENTABLE AREA				61,353 SF
ACCESSORY AREA					
	TRASH				595 SF
	ELECTRIC ROOM				364 SF
	BOILER				144 SF
	UTILITIES				544 SF
	STORAGE				1,392 SF
	MPOE				70 SF
	IDF	6	x	16 SF/FLR	96 SF
	TRASH CHUTES	6	x	70 SF/FLR	420 SF
	TOTAL ACCESSORY AREA				3,625 SF
CIRCULATION					
	ELEVATOR 1	7	x	90 SF/FLR	630 SF
	ELEVATOR 1	7	x	90 SF/FLR	630 SF
	STAIR 1	7	x	200 SF/FLR	1,400 SF
	STAIR 2	7	x	200 SF/FLR	1,400 SF
	STAIR 3	1	x	200 SF/FLR	200 SF
	HALL L1				524 SF
	HALL L2-L7	6	x	1,292 SF/FLR	7,752 SF
	TOTAL CIRCULATION				12,536 SF
	TOTAL GROSS FLOOR AREA (GFA)				77,514 SF
	EFFICIENCY (EXCLUDES GARAGE)				79.2%
GARAGE					
	PARKING EXEMPT FROM GFA				33,117 SF
				L1	5,607 SF
				P1	13,755 SF
				P2	13,755 SF
F.A.R.					
				PROPOSED	5.1

UNIT TABULATION

UNIT TABULATION					
		UNIT	# DU	SF / DU	NRSF
46%	STUDIO	S1	48	450 SF	21,600 SF
		SUB-TOTAL	48		21,600 SF
45%	1 BED	A1	36	540 SF	19,440 SF
		A2	5	630 SF	3,150 SF
		A3	6	667 SF	4,002 SF
		SUB-TOTAL	47		26,592 SF
6%	2 BED	B1	6	936 SF	5,616 SF
		SUB-TOTAL	6		5,616 SF
3%	LIVE / WORK	LW1	3	1,050 SF	3,150 SF
		SUB-TOTAL	3		3,150 SF
TOTAL UNITS			104		56,958 SF
					AVERAGE UNIT = 548 SF

PARKING

PARKING (MINIMUM REQUIREMENTS)							
	QNTY	CARS		MOTORCYCLES		BIKES	
		RATIO	#	RATIO	#	RATIO	#
STUDIO	46 DU	0	0	0.05	2.3	0.3	13.8
1 BED	47 DU	0	0	0.1	4.7	0.4	18.8
2 BED	3 DU	0	0	0.1	0.3	0.5	1.5
TOTAL REQUIRED			0		7		34
TOTAL PROVIDED			96				
			L1	14			
			P1	40			
			P2	42			
RESIDENTIAL RATIO OF PARKING SPACES / UNITS							94 SPACES/UNIT



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www.SDArchitects.net

5th AVE & CEDAR ST
SAN DIEGO, CA

02a
STUDY

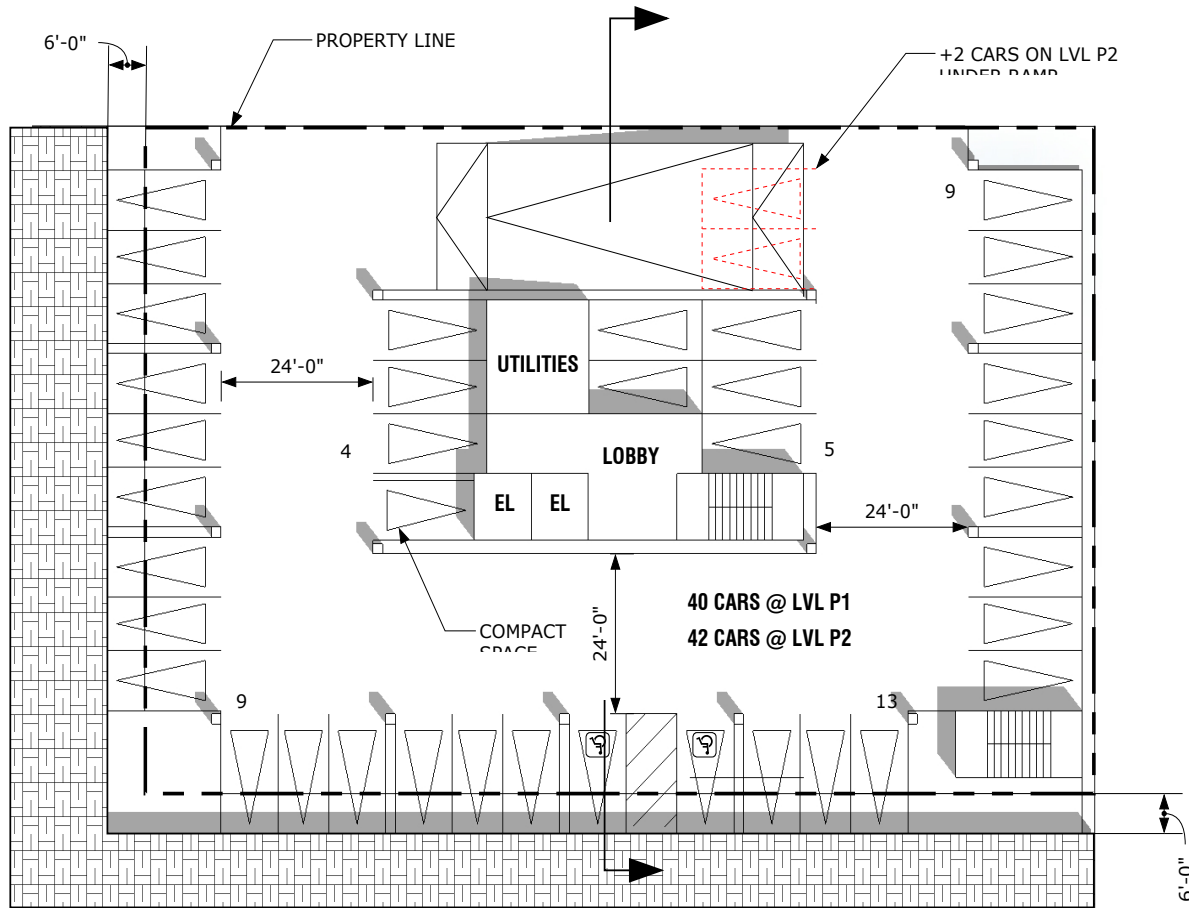
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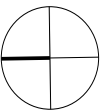
SUPPLEMENTAL RESIDENTIAL REGULATIONS

SUPPLEMENTAL RESIDENTIAL REGULATIONS							
PRIVATE EXTERIOR OPEN SPACE							
				MIN #	50%	51 DU	INCENTIVE
					45%	46 DU	
COMMON OUTDOOR OPEN SPACE							
	REQUIRED:	15,349 SF	x		15%	2,302 SF	
	PROPOSED:				COURTYARD	2,387 SF	
PET OPEN SPACE							
	REQUIRED:					100 SF	
	PROPOSED:					100 SF	
COMMON INDOOR SPACE							
	REQUIRED:					500 SF	
	PROPOSED:					630 SF	
TRASH							
	RESIDENTIAL	TRASH	RECYCLE	GREEN		576 SF	
	PROPOSED:	192 SF	192 SF	192 SF		595 SF	
GROUND FLOOR HEIGHT							
	REQUIRED:					20 FT	INCENTIVE
	PROPOSED:					15FT	





LEVEL P1 / P2 - BUILDING PLAN



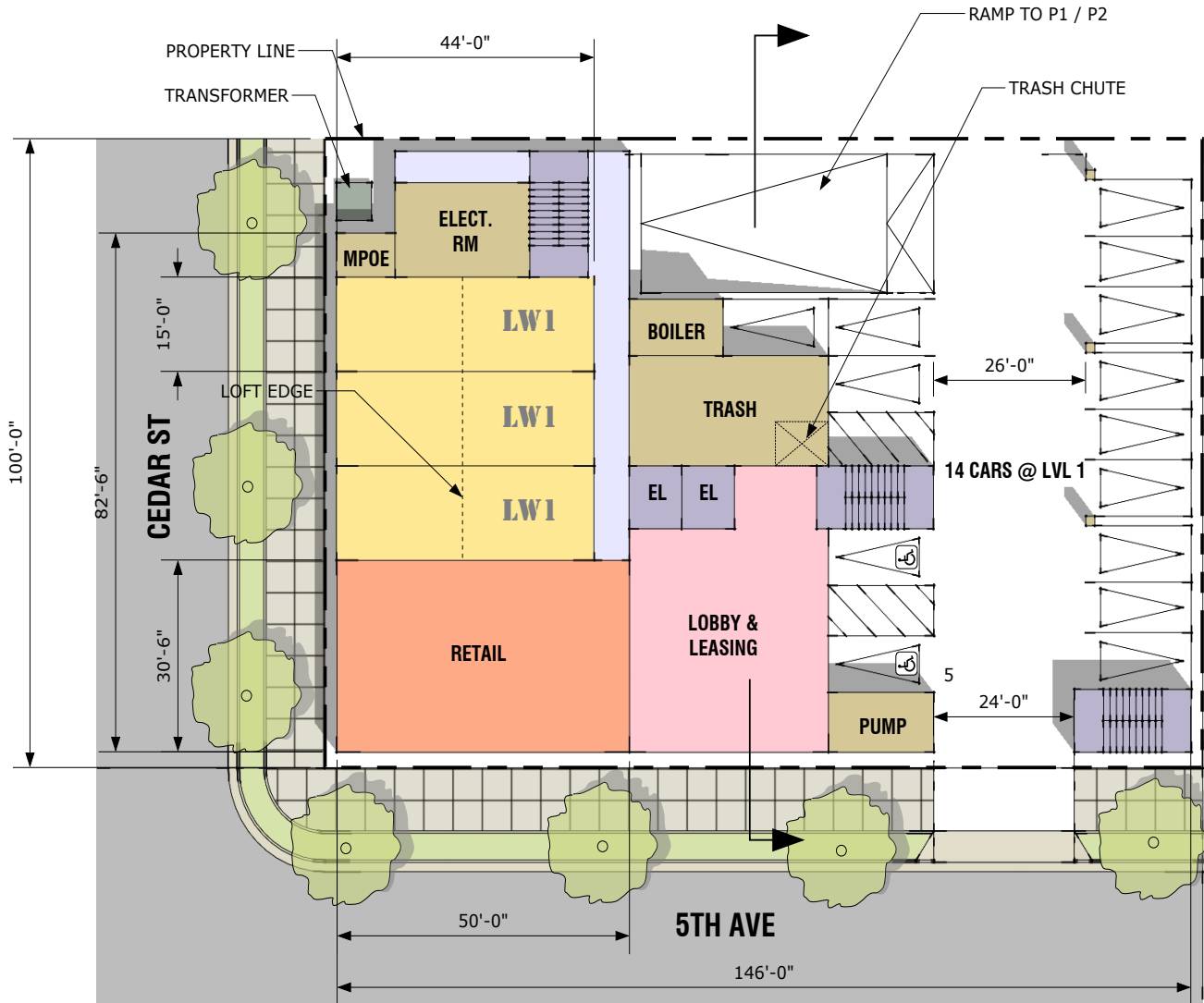
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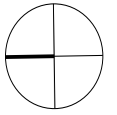
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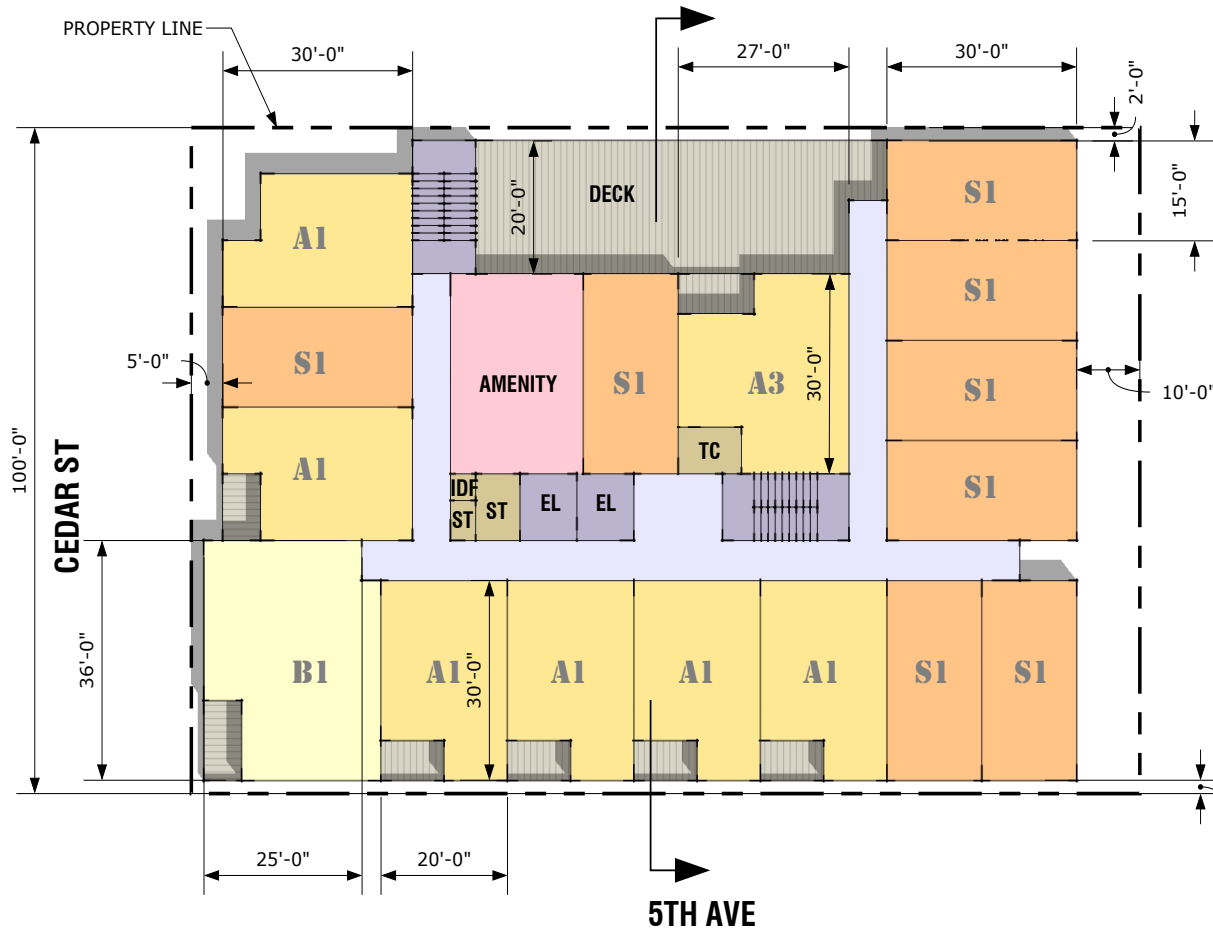
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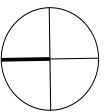


LEVEL 1- BUILDING PLAN





LEVEL 2- BUILDING PLAN



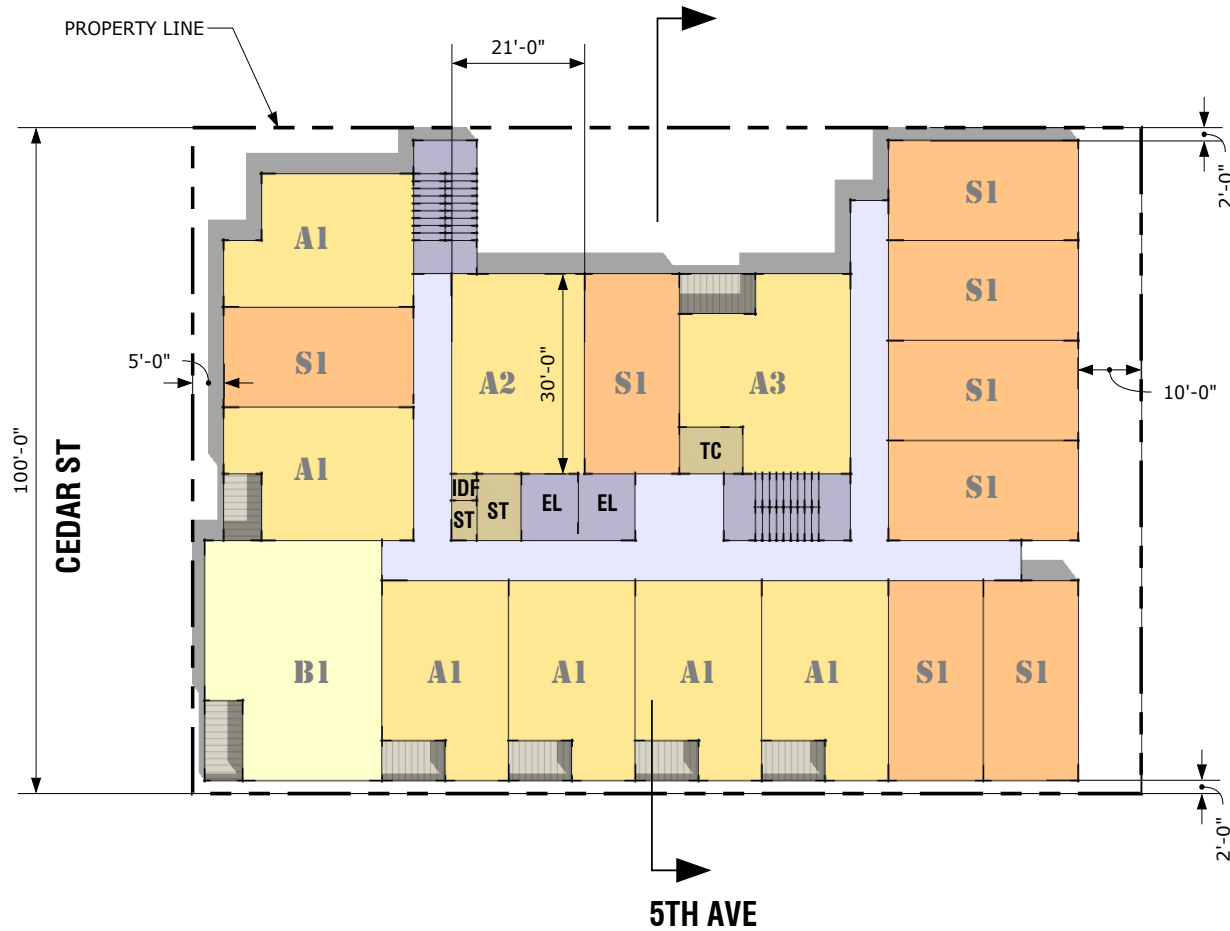
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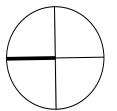
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STUDY

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LEVEL 3-7 BUILDING PLAN



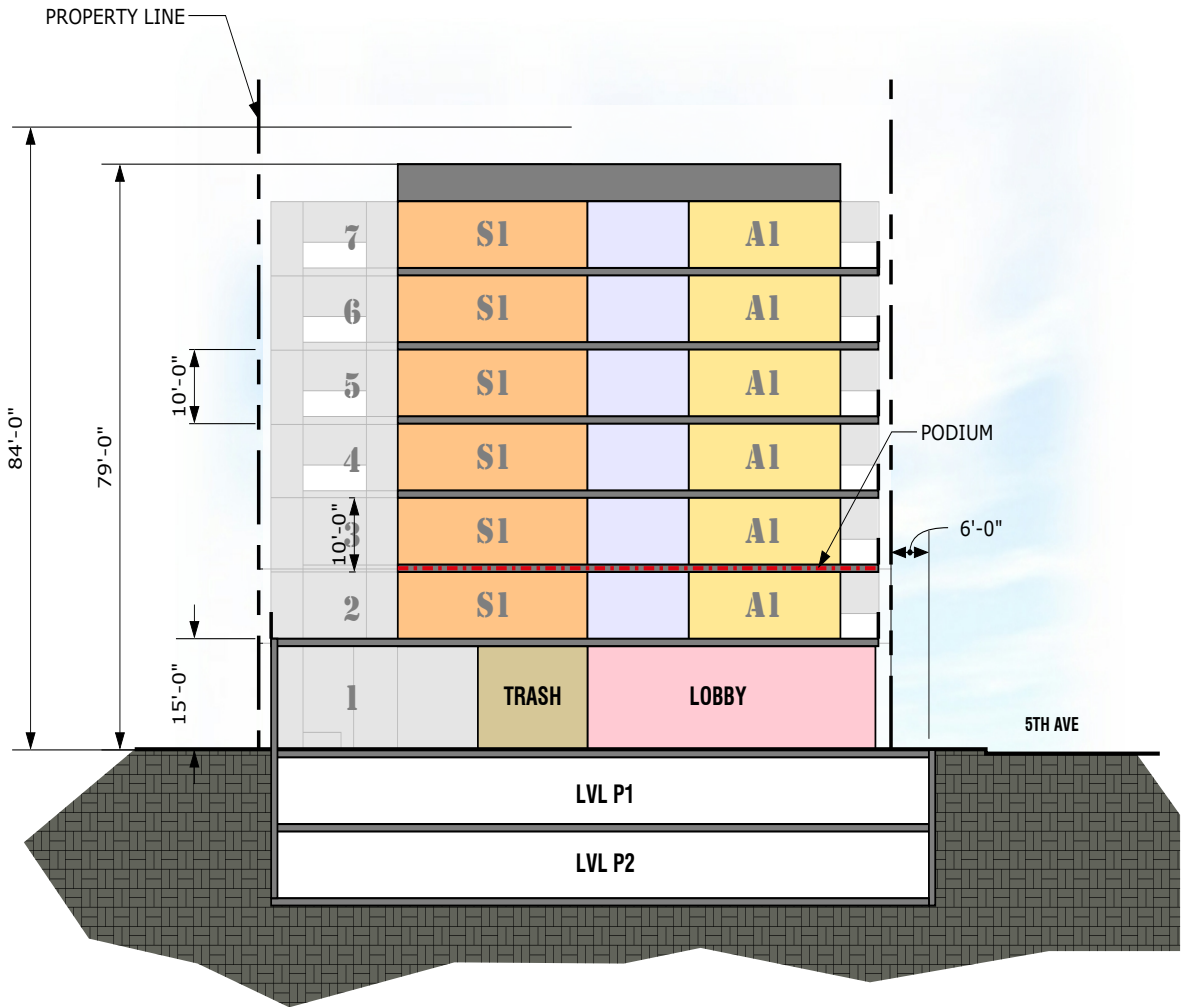
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STUDY

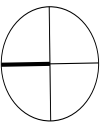
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BUILDING SECTION

Waterfront Park



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STUDY

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Fee Estimate

5th & Cedar	LOCATION	City of San Diego (Downtown)
	NUMBER OF UNITS	104
	MIX	(48) market rate studios (47) market rate 1-bedrooms (6) market rate 2-bedrooms (3) live/work lofts (calculated as studios)
	NUMBER OF BUILDINGS	1
	PRODUCT TYPE	Apartments
	ACRES	0.35
	PRODUCT SQ FT (avg.)	548


FEE TYPE	PER UNIT COST	NOTES
Sewer Capacity	\$3,092.40	based on greater than 70 du/acre (0.60 edu)
Water Capacity	\$1,828.20	based on greater than 70 du/acre (0.60 edu)
Inclusionary Housing Fee	\$12,357.40	\$22.55 prior to July 2024 then \$25
SDCWA Fee 1 1/2" (x2)	\$328.85	* assumes two 1.5" meter
DIF 2023 - based on city calculator	\$10,572.37	see DIF worksheet
Active Transportation In Lieu Fee	n/a	
RTCIP Fee 2023	\$2,741.97	https://www.sandiego.gov/sites/default/files/feeschedule.pdf
Unified School Fee (San Diego)	\$2,624.92	\$4.79 SF
Neighborhood Enhancement Fee	n/a	only applicable to Complete Communities Projects \$10.36 SF (if under 95' - if taller then \$12.68 SF)
PER UNIT TOTAL COST ESTIMATE	\$33,546.10	

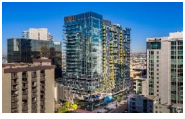
Sale Process


Asking Price: \$5,700,000


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Apartment Rent Survey


	1 Vici 550 W Date St San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	21	21.9%	\$3,157	551	\$5.73
Total Units	96	1 Bdrm	35	36.5%	\$4,125	754	\$5.47
Year Built	2018	2 Bdrm	40	41.7%	\$5,683	1,057	\$5.38
Occupancy	90.6%	3 Bdrm	0	0.0%	n/a	n/a	n/a

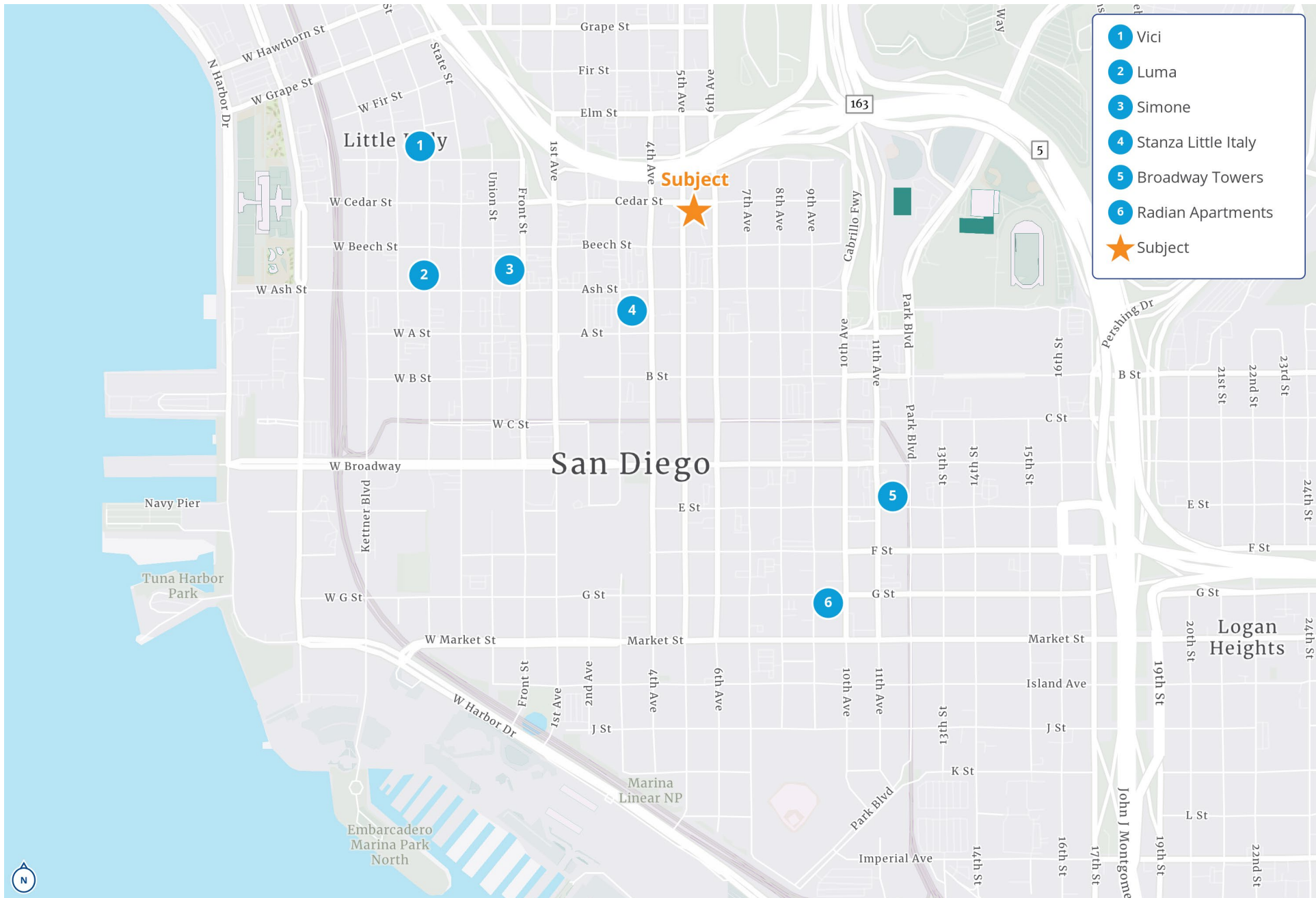
	2 Luma 1440 Columbia St San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	39	17.7%	\$2,905	578	\$5.03
Total Units	220	1 Bdrm	113	51.4%	\$3,836	804	\$4.77
Year Built	2019	2 Bdrm	42	19.1%	\$5,736	1,238	\$4.63
Occupancy	88.2%	3 Bdrm	26	11.8%	\$6,711	1,431	\$4.69

	3 Simone 1401 Union St San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	70	17.7%	\$2,739	575	\$4.76
Total Units	395	1 Bdrm	223	56.5%	\$3,968	770	\$5.15
Year Built	2023	2 Bdrm	102	25.8%	\$5,945	1,157	\$5.14
Occupancy	27.1%	3 Bdrm	0	0.0%	n/a	n/a	n/a

	4 Stanza Little Italy 310 A St San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	43	15.9%	\$3,022	529	\$5.71
Total Units	270	1 Bdrm	159	58.9%	\$3,377	787	\$4.29
Year Built	2021	2 Bdrm	68	25.2%	\$4,822	1,259	\$3.83
Occupancy	88.9%	3 Bdrm	0	0.0%	n/a	n/a	n/a

	5 Broadway Towers 1150 E St San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	0	0.0%	n/a	n/a	n/a
Total Units	333	1 Bdrm	207	62.2%	\$3,049	592	\$5.15
Year Built	2021	2 Bdrm	82	24.6%	\$3,929	897	\$4.38
Occupancy	97.7%	3 Bdrm	44	13.2%	\$4,244	\$1,013	\$4.19

	6 Radian Apartments 675 9th Ave San Diego, CA 92101	Unit Type	Unit Mix		Averages		
			Count	% / Mix	Rent	Size (SF)	\$ / SF
		Studio	0	0.0%	n/a	n/a	n/a
Total Units	241	1 Bdrm	150	62.2%	\$3,561	784	\$4.54
Year Built	2023	2 Bdrm	81	33.6%	\$6,966	1,425	\$4.89
Occupancy	28.2%	3 Bdrm	10	4.1%	\$5,513	\$1,343	\$4.10



Environmental Memo



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www.weisenviro.com

October 25, 2023

Victor Krebs
Senior Vice President
Colliers International
4350 La Jolla Village Drive, Suite 500
San Diego, CA 92122

Subject: Environmental Scope and Cost and Analysis
1563-67 5th Avenue
San Diego, California

Dear Mr. Krebs:

Weis Environmental, LLC has prepared this Environmental Cost Analysis pertaining to the property located at 1563-67 5th Avenue in downtown San Diego, California. (Site). The Site is a reported 0.35 acres (15,349 square feet) and is further identified by County of San Diego Assessor's Parcel Numbers 533-383-13-00. The Site is situated in the northwest portion of the city block bound by Cedar Street to the north, Beech Street to the south, 6th Avenue to the east and 5th Avenue to the west.

Background

The Site is currently a vacant commercial lot and was historically occupied by a gasoline service station. An unauthorized release of petroleum hydrocarbons to the subsurface occurred at the Site with multiple rounds of investigation completed to satisfy the directives of the County of San Diego Department of Environmental Health (DEH). The case was opened following the removal of five underground storage tanks (USTs), dispensers and associated piping on October 11, 1999. Stained and odorous soil was noted in the tank excavations. Total petroleum hydrocarbons as gasoline (5,910 milligrams per kilogram (mg/kg)) as diesel fuel (8,540 mg/kg) and as oil (15,200 mg/kg) as well as benzene (32.2 mg/kg) and other gasoline related compounds were detected in soil samples. A site assessment was conducted in 2001 which consisted of the collection of soil samples from 16 direct-push borings that were drilled to depths of 10 to 25 feet below ground surface. Groundwater was not encountered in any of the borings. Hydrocarbon impacted soil was detected beneath two if the dispensers and in the vicinity of the former southern UST cluster. In November 2011, sixteen borings and two monitoring wells were installed at the site. Soil and groundwater samples were collected and analyzed. Groundwater is present at approximately 112 feet below ground surface. TPHd was detected at 120 micrograms per liter (ug/l) and benzene at 12 ug/l in the groundwater samples. These concentrations are considered to be insignificant for a non-beneficial use groundwater basin.

The release case was subsequently transferred to the San Diego Regional Water Quality Control Board (SD-RWQCB). The SD-RWQCB evaluated the data collected for the Site and found it to be consistent with State of California Low-Threat Underground Storage Tank Case Closure Policy. Available documents pertaining to the Site can be obtained via the link below.

Environmental Scope and Cost Analysis October 25, 2023
1563-67 5th Avenue
San Diego, California

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https://geotracker.waterboards.ca.gov/profile_report.asp?global_id=T0607399226

The SD-RWQCB no further action (NFA) letter for the case was issued on February 4, 2014. The following was also advised by way of the NFA letter:

- Any land use changes may require reevaluation to determine if the change will pose an unacceptable risk to human health.
- Any contaminated soil or groundwater encountered at the site must be managed in accordance with the legal requirements at that time.

It is our understanding that the Site is being marketed for sale and that a future redevelopment scenario is likely. We also understand that the new development scenario would include a two-level underground parking garage throughout the Site. This letter discusses potential incremental costs associated with residual petroleum impacts at the Site and also provides recommendations for further assessment at the Site should potential buyers desire a higher level of confidence regarding certain Site conditions.

Scope and Cost Analysis

The assumptions listed below have been incorporated into our analysis:

- It is assumed that there are no remaining USTs present at the Site. If interested parties desire a higher level of confidence regarding the potential presence of USTs, a geophysical contractor should be retained.
- Excavation for the future underground parking garage will be completed using conventional excavation and shoring techniques.
- The total vertical depth of excavation required for the development will be 24 feet below existing grades.
- Hard construction costs including shoring, mass excavation and removal of non-contaminated soil (i.e. inert waste), stormwater management, grading plans and permitting and other conventional construction activities/costs are not included in this cost estimate.
- Employees of the excavation contractors (i.e. mass excavation, shoring, etc.) retained for the project who will be in contact with petroleum contaminated soil during construction should have proper 40-hour HAZWOPER training. In addition, the contractors should hold Class A, Engineering Contractor's licenses with Hazardous Substance Removal Certifications issued from the State of California. This cost estimate does not include additional costs for the hiring of contractors who hold such certifications versus those who do not.
- It is estimated that upwards of 1,800 cubic yards (in-place volume) of soil to be removed from the Site during redevelopment will require special handling and off-site disposal due to it containing petroleum hydrocarbons. Soil containing any detectable concentrations of petroleum constituents or soil that is stained or odorous due to petroleum hydrocarbon impact

Environmental Scope and Cost Analysis October 25, 2023
1563-67 5th Avenue
San Diego, California

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cannot be beneficially reused at off-Site locations for use as clean fill (i.e. inert waste). This estimate was derived by assuming that an approximately 900 square foot area around the former gasoline/diesel tank array and an approximately 1,125 square foot area around the former dispenser islands contains petroleum impacted soil from the surface to the total depth of excavation (24 feet). This estimate is considered to be conservative in nature, and the actual volume of impacted soil is anticipated to be less than what has been estimated.

- Petroleum impacted soil will be removed from the Site under manifest to a Class II or III landfill facility as non-hazardous waste.
- One cubic yard of soil is estimated to weigh 1.7 tons. Actual weights of the waste may differ from that stated above and can be further evaluated based on geotechnical analysis. Using the conversion factor referenced above, the total estimated tonnage of petroleum impacted soil anticipated to be encountered during the excavation work is approximately 3,060 tons.
- The costs of excavation, transportation and disposal of petroleum contaminated soil to be removed from the Site as presented herein are the incremental costs above and beyond the cost of the removal of inert waste.
- Contaminated soil at the site cannot be re-used on-site.
- The export of inert waste from the site will be completed under San Diego Regional Water Quality Control Board (SD-RWQCB) Resolution R9-2019-0005 (Conditional Waiver No. 9) which applies to the temporary stockpiling and subsequent off-site disposal of soil categorized as inert waste containing metals from known contaminated properties.
- It is assumed that a vapor barrier will not be incorporated into the foundation of the future underground parking structure given the limited human exposure potential to users of the future parking garage. If interested parties desire a higher level of confidence regarding a potential vapor barrier application for the Site, an environmental consultant should be retained to complete an assessment or comment on such a scenario.
- Environmental consulting costs to be incurred by the developer are anticipated to include soil management plan and community health and safety plan preparation, waste profiling with receiving facilities, field monitoring, soil sampling and analytical laboratory testing during excavation of contaminated and inert soil, SD-RWQCB Inert Waste Certification, soil management report preparation and general project management.
- It is well known among local environmental professionals that artificial/undocumented fill material in downtown San Diego and neighboring communities is often found to contain varying amounts of debris. Such material also commonly contains the metal lead which is often found at levels exceeding certain screening levels for human health risk or waste profiling (if the material were removed during development). Based on a review of available boring logs for the Site, it does not appear that any substantial debris laden fill material is present at the Site. If interested parties desire a higher level of confidence regarding the presence of such material on the Site, an environmental consultant should be retained to complete an assessment or comment on such a scenario. In addition, geotechnical studies (including fault trench



investigations) can also be useful in confirming the presence of absence of fill soils in the downtown San Diego area.

- A contingency of 10% has been added to the total estimated cost to account for uncertainty pertaining to subsurface contamination at the Site (i.e. unexpected or unknown areas of contaminated soil, an increased volume of contaminated soil, fuel costs, potential increases of costs at soil receiving facilities, contractor cost fluctuations, conditions related to the design of the future redevelopment project and other factors).

Cost Estimate

A tabular breakdown of the estimated incremental costs for future Site development due to petroleum impacts is presented below. If additional assessment is completed in the future, a revision to the cost estimate may be warranted.

Task	Unit	Cost Per Unit	Number of Units	Total Cost
Transportation and Disposal of Petroleum Impacted Soil	Ton	\$65	3,060	\$198,900
Environmental Consulting	Allowance	\$30,000	1	\$30,000
Contingency (10%)				\$22,890
Total Estimated Cost				\$251,970

Assumptions and Limitations

The cost estimate described herein is based on current estimated market rates and conditions. Levels of contaminants measured at a given location during prior assessments may not be representative of conditions in other areas on the Site. In addition, conditions may change at any particular location as a function of time in response to natural conditions, chemical reactions and other factors. Contractor related costs described herein should be independently verified closer to the date the environmental work is to be conducted.

This report was prepared for use by the client. We make no representation to any third party except that it has used the degree of care and skill ordinarily exercised by a reasonable prudent environmental professional in the same community and in the same time frame given the same or similar facts and circumstances. No other use or disclosure is intended or authorized by our firm. In the preparation of this document, our firm has used the degree of care and skill ordinarily exercised by a reasonably prudent environmental professional in the same community and in the same time frame given the same or similar facts and circumstances. No other warranties are made to any third party, either express or implied. We are not responsible for future interpretations regarding Site data and conditions made by others, including regulatory agencies.



Closure

We appreciate the opportunity to be of service on this project. If you should have any questions regarding this report, or if we can be of further assistance, please contact us at 760.585.7070.

Sincerely,



Daniel Weis, R.E.H.S.
Environmental Manager



Eric M. Cathcart, MS, PG
Senior Geologist
California Professional Geologist #7548



Demographics

	.5 MILE	1 MILE	2 MILES
2023 Income			
Average Household Income	\$116,121	\$125,995	\$121,066
Median Household Income	\$83,889	\$84,252	\$80,578
Household Income (2016)			
\$200,000 or more	12.7%	15.8%	14.4%
\$150,000 - \$199,999	11.0%	10.7%	9.7%
\$100,000 - \$149,999	19.4%	17.4%	17.9%
\$75,000 - \$99,999	11.9%	10.7%	11.0%
\$50,000 - \$74,999	12.8%	13.0%	15.3%
\$35,000 - \$49,999	5.3%	6.0%	7.9%
\$25,000 - \$34,999	5.0%	5.5%	5.3%
\$15,000 - \$24,999	7.4%	5.9%	6.5%
<\$15,000	14.5%	15.1%	12.0%
Median Home Value	\$729,692	\$912,115	\$931,263
2023 Education Detail			
Graduate/Professional	20.8%	23.9%	22.5%
Degree			
Bachelor's Degree	37.2%	34.5%	31.7%
Associate Degree	6.2%	6.5%	7.3%





SITE

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