



FOR  
SALE

SUBJECT  
PROPERTY

*\$2,095,000*  
SALE PRICE \$3,990,000

Kidder  
Mathews

UNION TOWER DEVELOPMENT OPPORTUNITY

73-UNIT FULLY ENTITLED AIR RIGHTS TOWER | 1620 UNION STREET | LITTLE ITALY, SAN DIEGO, CA





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# THE OFFERING

**MAJOR PRICE REDUCTION!** The subject property is a 5,013 square foot site located at 1620 Union Street in the heart of Little Italy. The property is currently improved as a surface parking lot. The current owner has a month-to-month lease agreement with LAZ parking (terms of the agreement can be found on page 11 of this Offering Memorandum).

Designed by Jonathan Segal FAIA Design, the offering includes a Site Development Permit for an Air Rights Tower to construct a 24-story, 250-foot tall residential development, totaling approximately 109,546 SF and comprised of 73 residential dwelling units and 70 parking spaces within a fully-automated mechanical parking garage.

At the time of approval, the project was improved with a historical, single family home, which was to be relocated to 2462-2648 Newton Avenue. The home was relocated in September 2023, thereby satisfying the condition and vesting the permit. The timeline for pulling a building permit is generally indefinite and the entitlements have no expiration date.

Union Tower is located in the heart of Little Italy, an urban community collecting some of the highest rents in all of San Diego County. Little Italy’s resident base is predominantly comprised of affluent and educated residents.

Little Italy is booming with award winning restaurants, trendy bars and nightlife, Italian inspired coffee and gelato shops, and more. With an impressive walk score of 99, many Downtown amenities are located within walking distance of the site, including Amici Park, the India Street commercial corridor, the County Center/Little Italy Trolley Station, and the County Administration Center and Waterfront Park.



ADDRESS	1620 Union Street, San Diego, CA 92101
PRICE	\$2,095,000 <del>\$3,990,000</del>
PRICE/LAND SF	\$418
GROSS LAND SIZE	±0.12 Acres ( 5,013 Square Feet)
ENTITLEMENTS	Air Rights Tower for 24-Story, 73-Unit Building

## ABOUT THE DEVELOPER



*Jonathan Segal FAIA & Development Company has been awarded six national AIA Honor Awards for their housing work.*

They have been responsible for the design and development of over 300 medium to high-density urban residential, mixed use, and live/work units totaling over 300,000 square feet of construction.

Segal is considered one of San Diego, California's most successful and pioneering residential architectural/development companies and has a reputation for providing superior housing at a lower cost than comparable properties. Segal has been the recipient of numerous accolades including 40 local, state and national AIA awards for residential and Urban Design.

MR. ROBINSON



### *Select National Awards*

2021 PCBC Gold Nugget Innovation Award  
(Air Rights Tower)

2021 PCBC Gold Nugget Best Affordable  
Housing Community (The Continental)

2018 PCBC Gold Nugget Grand Honor  
Award (Mr. Robinson)

2018 Gold Nugget Award of Merit Best  
Multi-Family Housing Community 30-60  
du/acre (North Parker)

2018 National American Architecture  
Award, given by The Chicago  
Athenaeum (The Cresta, The North  
Parker & Mr. Robinson)

2017 Residential Architect Magazine  
Citation Award (Mr. Robinson)

2016 Builder's Choice & Custom Home  
Magazines "PROJECT OF THE YEAR"  
(Mr. Robinson - top project in the nation  
second year in a row)

## INVESTMENT HIGHLIGHTS

*Union Towers represents a prime covered land play with a fully-entitled residential development site in San Diego's affluent Little Italy neighborhood with entitlements that do not expire and immediate income from the existing parking lot lease agreement.*



### LITTLE ITALY LOCATION

Little Italy is a booming neighborhood recognized as a vibrant cultural and culinary hub. Ongoing urban development projects are expected to further increase property values, making it an attractive area for investment.



### SAN DIEGO'S HIGHEST RENTS

Little Italy is garnering higher rents than most of San Diego County. According to Costar, market rents for 1-bedroom units in Little Italy average \$3,327 and 2-bedroom average \$4,453.



### ENTITLEMENTS ARE VESTED & DO NOT EXPIRE

Because the historic house was relocated, the Permit was vested or "utilized" (as defined in Section 126.0108 of the municipal code), which means that the expiration date is no longer applicable.



### 99 WALK SCORE

Union Tower is nestled among an eclectic mix of both historic and new buildings and teaming with foodie-approved restaurants and trendy bars. Also walking distance to the San Diego Trolley.



### NEARBY EMPLOYMENT

Downtown is home to more than 6,900 businesses, 77,000 employees and 15 million square feet of office space. The number of employees in downtown is expected to grow by 20% by 2030.



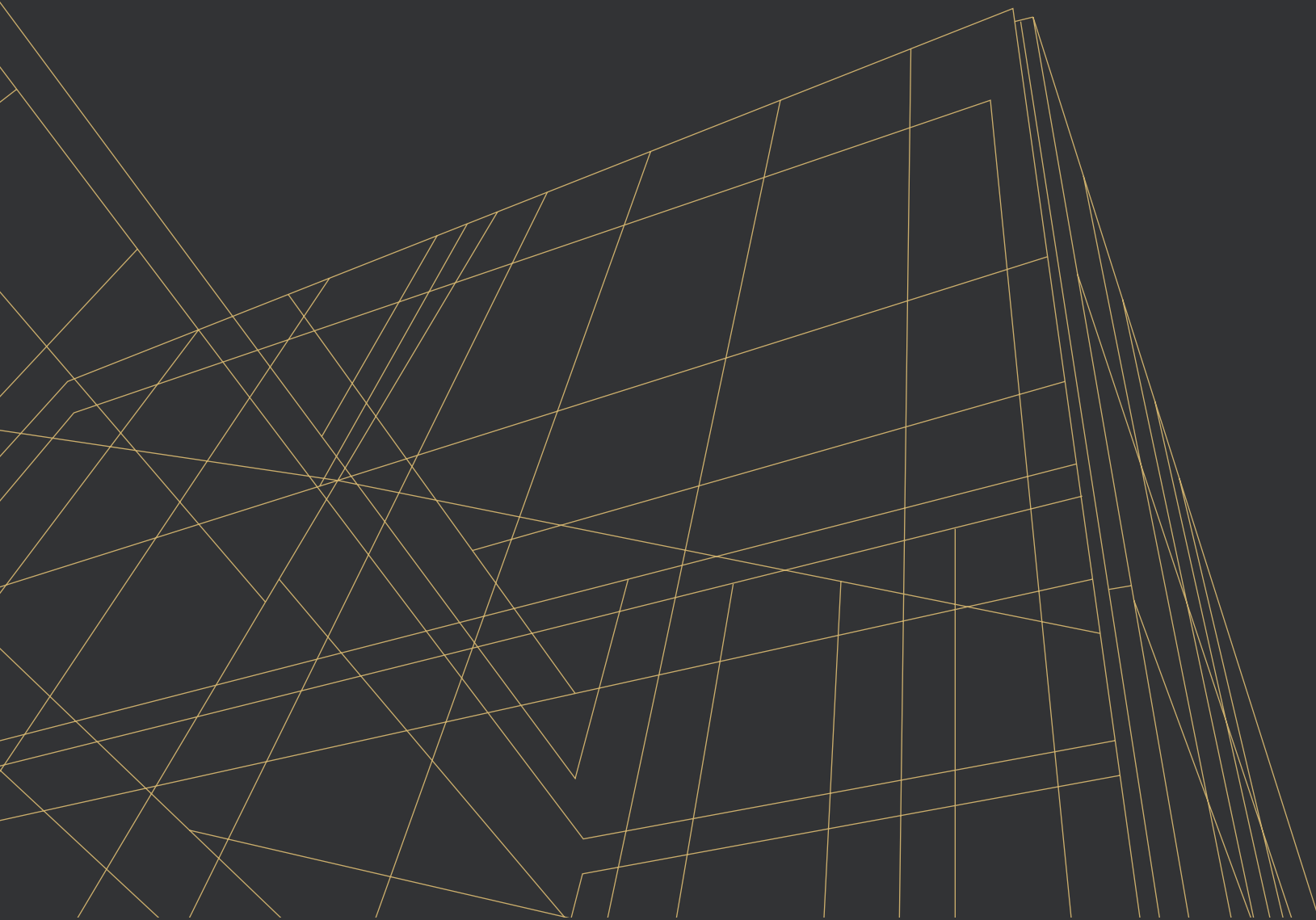
### DESIRABLE DEMOGRAPHICS

Little Italy provides excellent demographics with the average household income of \$156,361 and over 80% of the population with a bachelor's degree or higher.





NORTH ELEVATION





UNION TOWER

# PROPERTY OVERVIEW

*Section 02*

PROPERTY INFORMATION

PROPERTY OVERVIEW

ADDRESS	1620 Union Street, San Diego, CA 92101	
PARCEL NUMBER	533-353-11-00	
LAND AREA SF	5,013 SF	
GROSS FLOOR AREA (ABOVE GRADE)	109,546 SF	
STORIES/HEIGHT	24 Stories / 250 Feet	
UNIT MIX	Total	73
	Studios	10
	1 Bedroom	47
	2 Bedroom	15
	3 Bedroom	1
INCLUSIONARY/AFFORDABLE HOUSING COMPLIANCE	8 on-site affordable units	
ON-SITE PARKING	70 Automobile	
	16 Bicycle	

ADDITIONAL SITE INFORMATION

ACCESS	Street frontage Union Street. There is no alley.
NEAREST CROSS-STREET	Cedar Street
TOPOGRAPHY	The site is flat and level at street grade

ZONING

ZONE	Centre City Planned District - Residential Emphasis Complete Communities Housing Tier 1
MIN FLOOR AREA RATIO (FAR)	3.5
BASE MAX FAR	6.0
MAX FAR W/ CC	Unlimited
PROPOSED FAR	21.91 (includes 15.91 Bonus FAR)
DEVELOPMENT DEVIATIONS	A Project proposing development that is consistent with the requirements of the CCHSR is entitled to unlimited waivers from development regulations

TAX INFORMATION (2024-2025)

MILLAGE RATE	1.22804%
FIXED ASSESSMENTS	\$592.66 (includes \$565.48 Little Italy Maintenance Fee)

5,013

LAND SQUARE FEET

0.12

ACRES

73

PROPOSED UNITS

24

PROPOSED STORIES



# PARKING LOT LEASE AGREEMENT

## COMMERCIAL LEASE ABSTRACT

TENANT NAME	LAZ Parking California, LLC
IMPROVEMENTS	20 Spaces on Asphalt Parking Lot
EFFECTIVE DATE	October 11, 2023
LEASE TERM	The initial 1-year term automatically renews for successive one-month periods unless terminated with 30 day's notice.
RENT SCHEDULE	A First Addendum dated June 31, 2024 amended the agreement to modify the monthly fee from a fixed \$7,500/month to \$5,000/month plus 85% of the Gross Monthly Income exceeding \$6,500.
INCOME	The total fee received from LAZ during the amended term were as follows: \$11,413.05 for July; \$9,028.97 for August; and \$6,090.74 for September (or an average of \$8,844.25/month).



## ENTITLEMENT & APPROVALS

### SITE DEVELOPMENT PERMIT (SDP)

On December 15, 2022, the City Council approved a Site Development Permit (SDP) for the Air Rights Tower. The project included Relocation of designated Historical Resources Board (HRB) Site No. 238, the Andrew Cassidy Home from 1620 Union Street to 2642-2648 Newton Avenue. It also approved the construction of a 24-story, 250-foot tall residential development, totaling approximately 109,546 SF, and comprised of 73 residential-dwelling units and 70 parking spaces within a fully-automated mechanical parking garage.

### PERMIT EXPIRATION DATE

Because the historic house at 1620 Union was relocated, the Site Development Permit was vested or “utilized” (as defined in Section 126.0108 of the municipal code). This means that the expiration date in Condition 1 of the permit is no longer applicable and there is no expiration date of the SDP.

### COMPLETE COMMUNITIES

The Project on the Little Italy site is utilizing the Complete Communities Housing Solutions Regulations (CCHSR) (Chapter 14, Article 3, Division 10 of the SDMC) by providing 15% of the total DUs in the Base Floor Area Ratio (FAR) (20 DUs) for rent by low income households. The project is entitled to waivers from the maximum FAR (unlimited), the maximum structure height, street frontage requirements, and maximum lot coverage.

### AFFORDABLE HOUSING REQUIREMENT

The Owner/Permittee shall provide three affordable units with rents of no more than 30% of 50% of area median income (AMI), two affordable units with rents of no more than 30% of 60% of AMI, and three affordable units with rents of no more than 30% of 120% of AMI for no fewer than 55 years.

### EASEMENTS

#### Height

An easement was recorded over the neighboring building that restricts its existing height in perpetuity, so that glazing on the south side of the Project’s tower is able to be maximized.

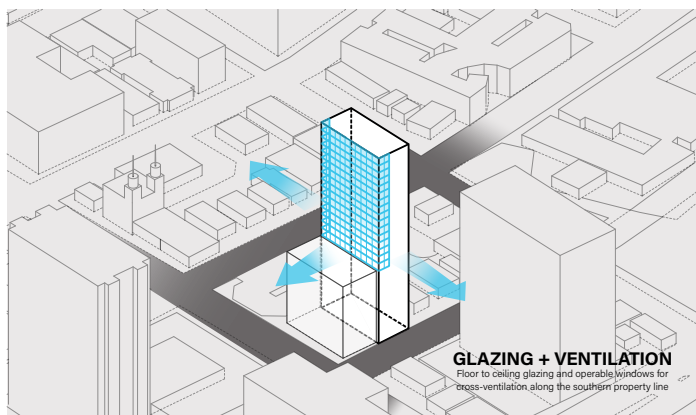
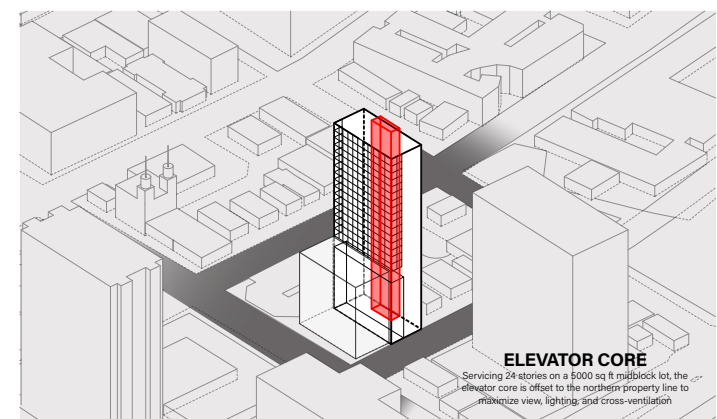
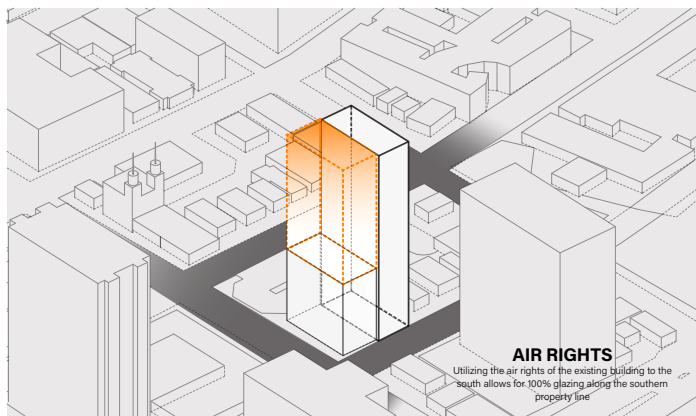
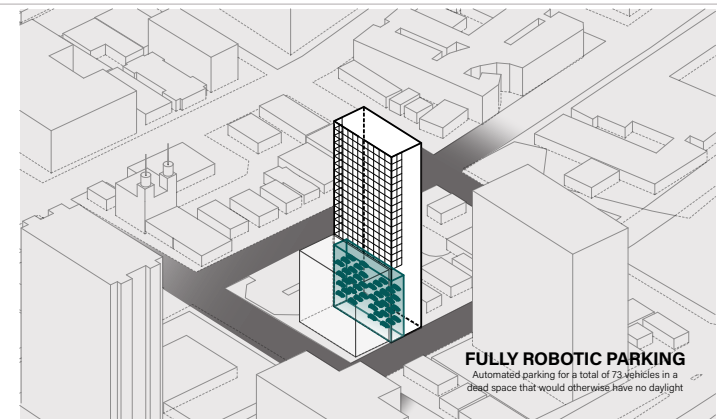
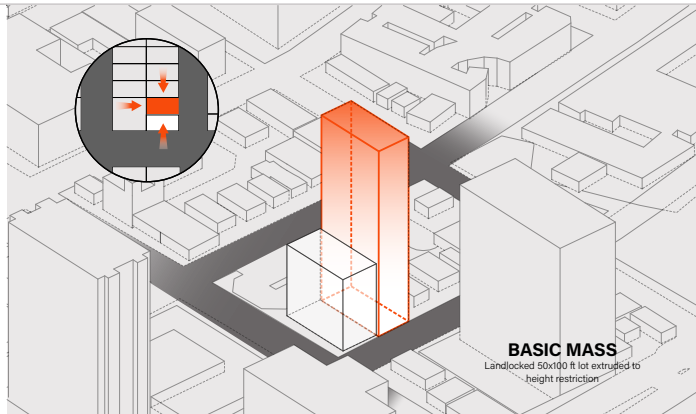
#### Parking

An easement was recorded allowing the owner of the adjacent property, The Continental Apartments to use five parking spaces of the proposed tower in perpetuity.

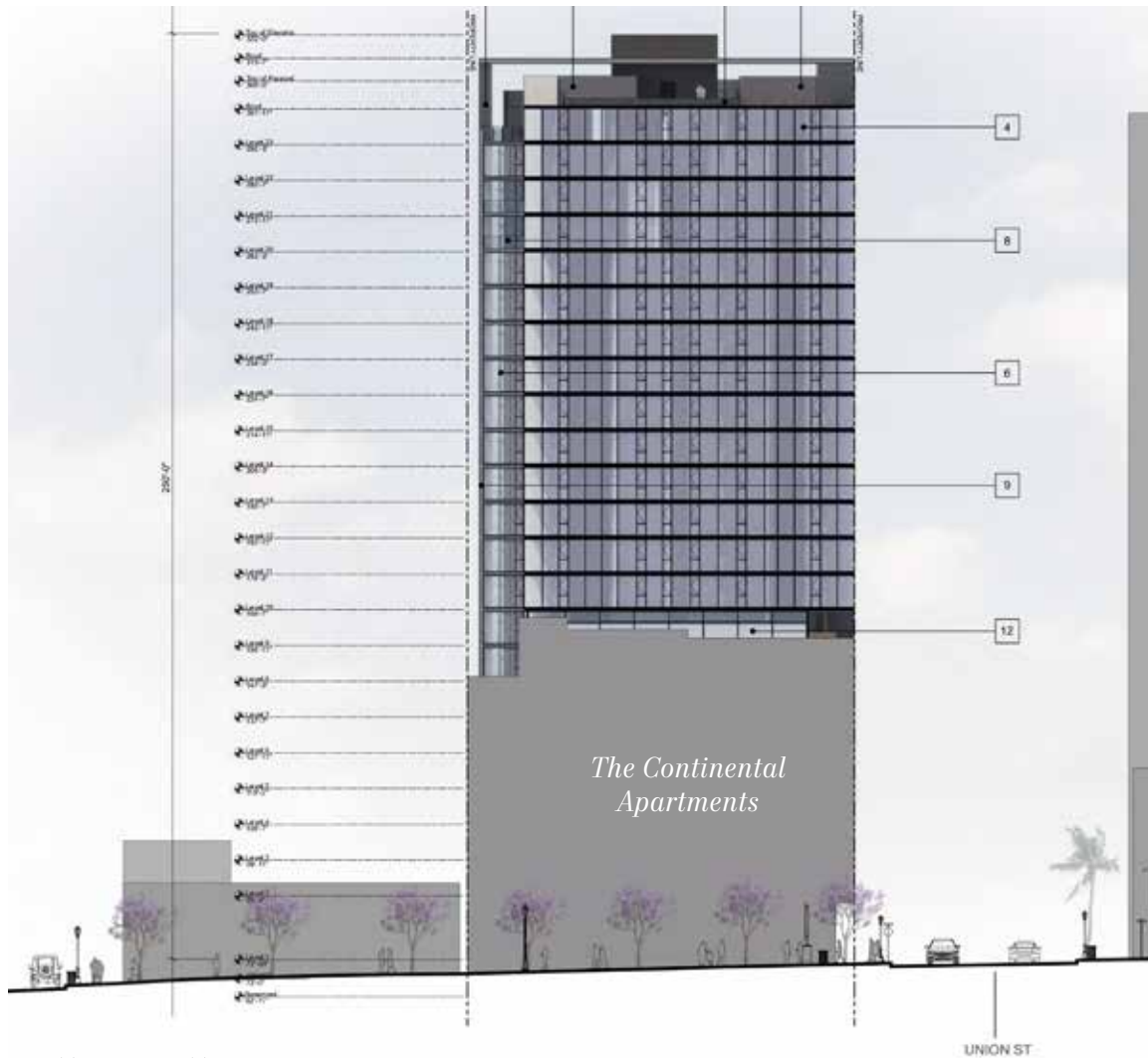
Note: Buyers shall do their own investigation into the entitlements and development potential of the site.







## THOUGHTFUL DESIGN



SOUTH ELEVATION

### *Glazing & Ventilation*

Utilizing the air rights of the existing building to the south allows for 100% glazing along the southern property line. Floor to ceiling glazing and operable windows allow cross-ventilation.

### *Patios & Greenspace*

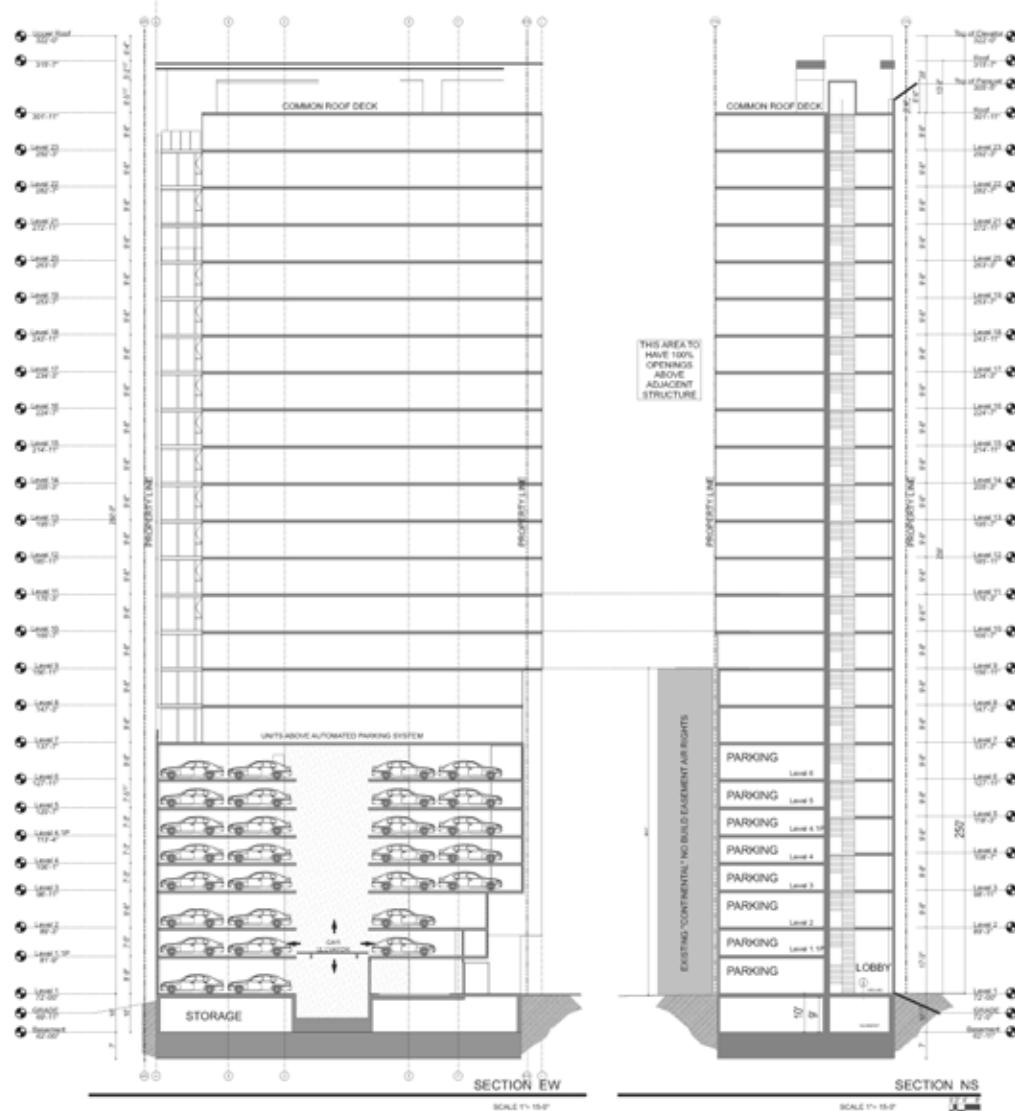
Every unit has private outdoor space and a shared greenspace on the community roofdeck.

### *Fully Robotic Parking*

Automated parking for a total of 73 vehicles in a dead space (along South property line adjacent to the Continental Apartments) that would otherwise have no daylight



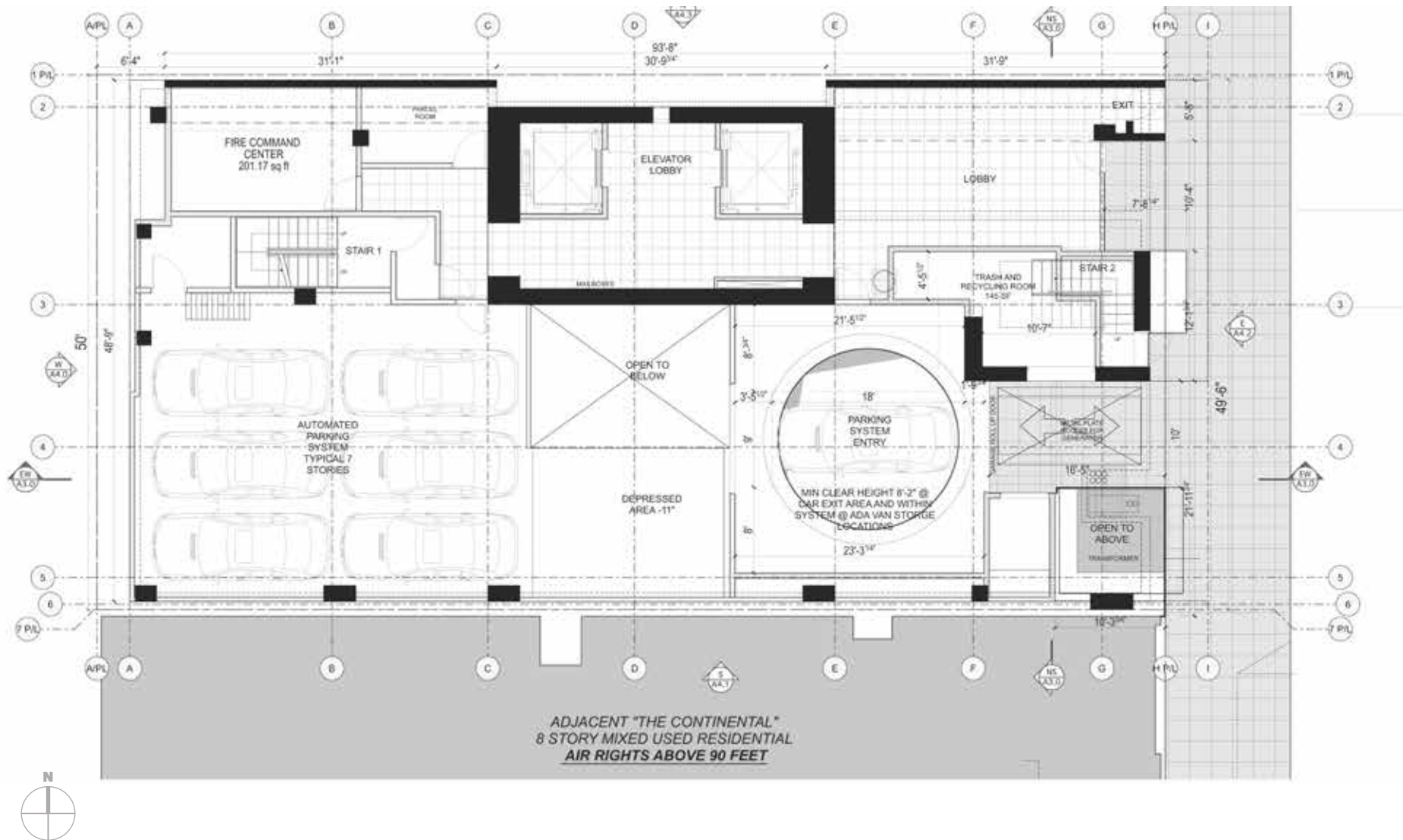
# BUILDING SECTION



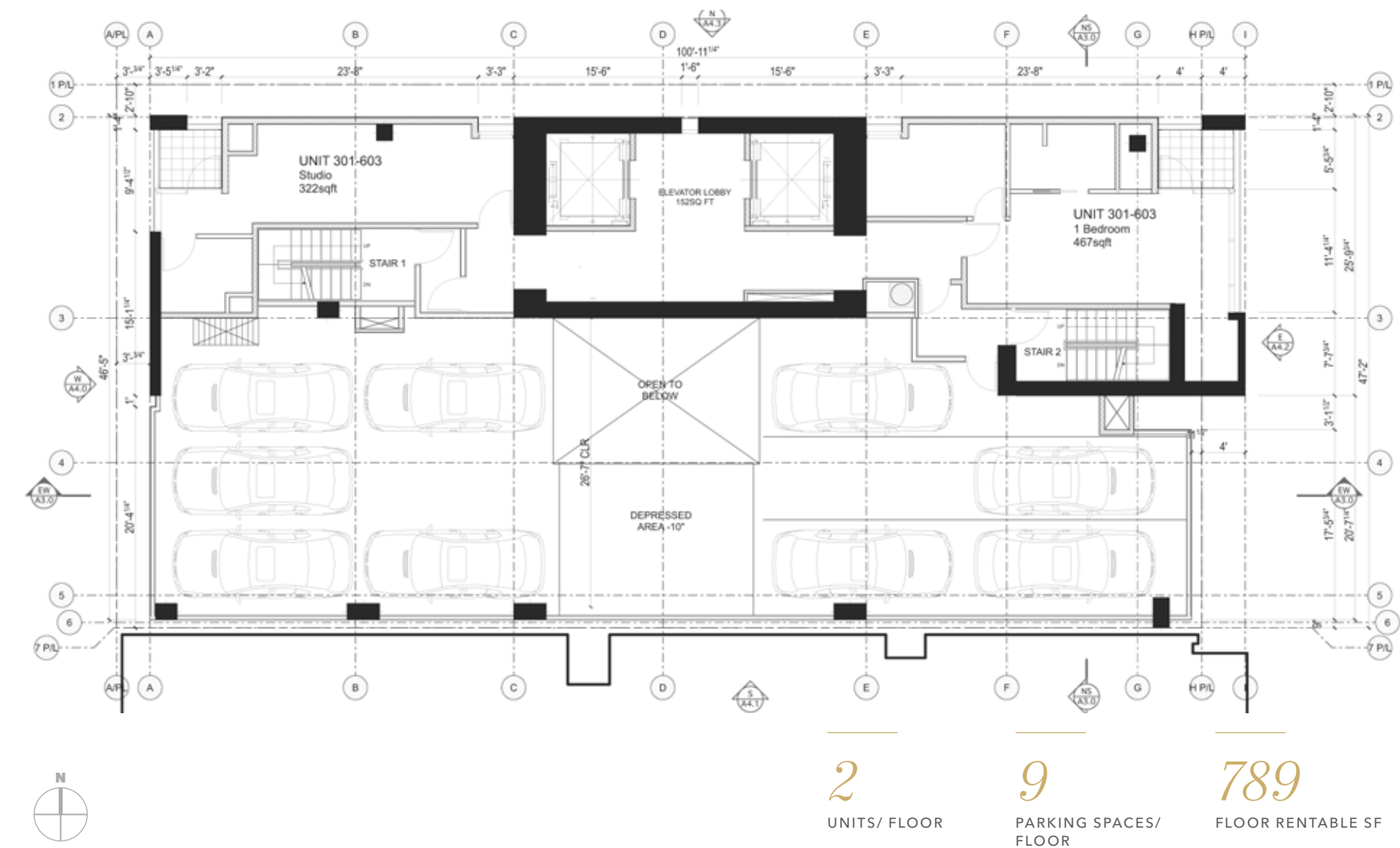
## UNIT SCHEDULE BY FLOOR

Floor	# of Units	Gross Area (SF)	Net Leasable (SF)
Phantom Floor	0	486	0
24	0	4,074	0
23	PH Upper	3,978	2,683
22	2 + PH Lower	4,285	2,971
21	4	4,208	2,990
20	4	4,262	2,897
19	4	4,262	2,863
18	4	4,262	2,863
17	4	4,262	2,863
16	4	4,262	2,863
15	4	4,262	2,863
14	4	4,262	2,863
13	4	4,262	2,863
12	4	4,262	2,863
11	4	4,262	2,863
10	4	4,262	2,863
9	4	4,098	2,827
8	4	4,119	2,863
7	4	4,172	2,700
6	2	4,431	789
5	2	4,526	789
4	2	4,526	789
3	2	2,508	0
2	2	4,526	789
1	0	4,258	745
Phantom Floor	0	2,340	0
Ground	0	1,821	0
Basement	0	4,308	0
<b>Total</b>	<b>73</b>	<b>109,546</b>	<b>52,462</b>

# GROUND FLOOR

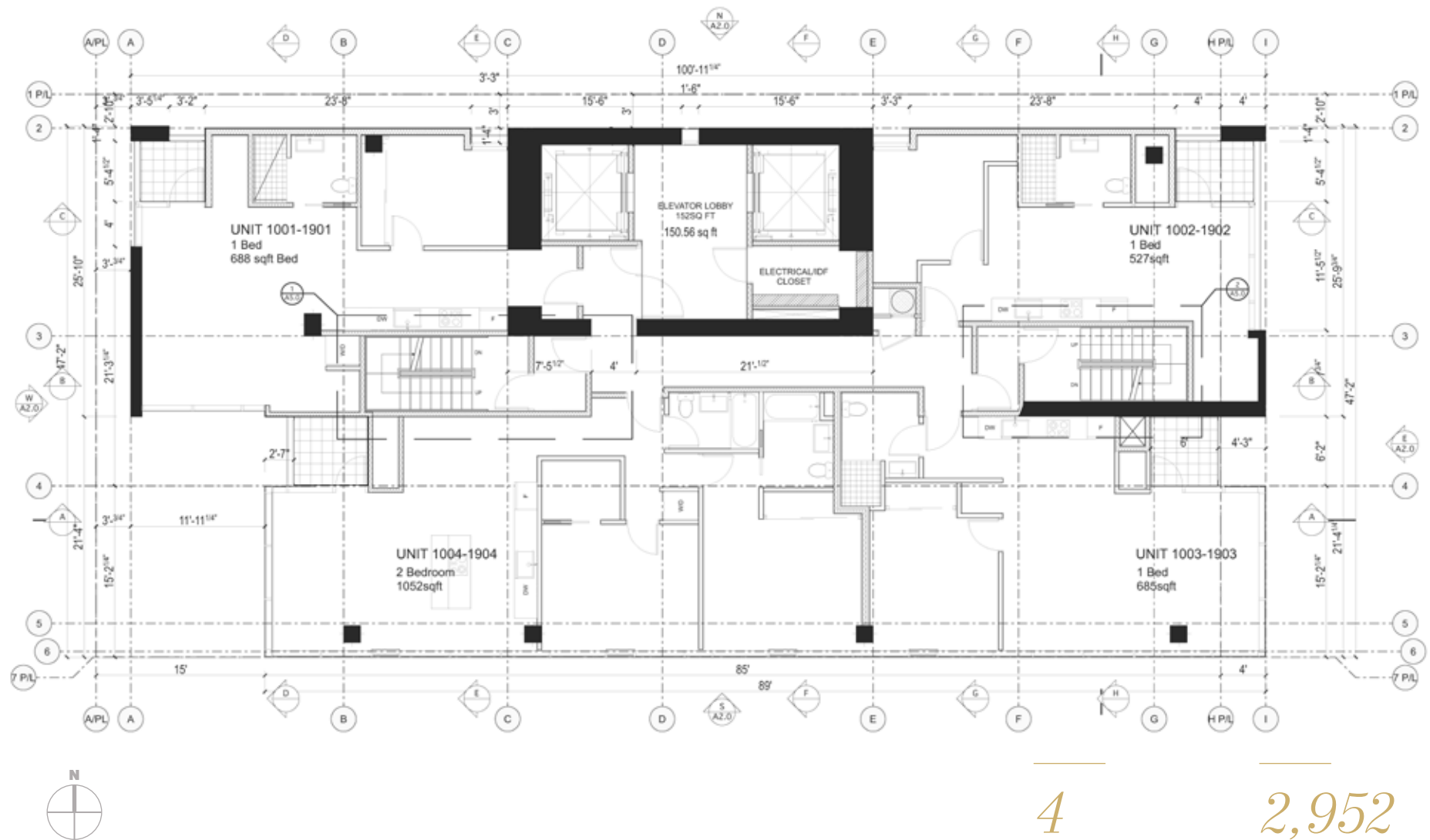


# FLOORS 4-6 TYPICAL





# FLOORS 10-19 TYPICAL



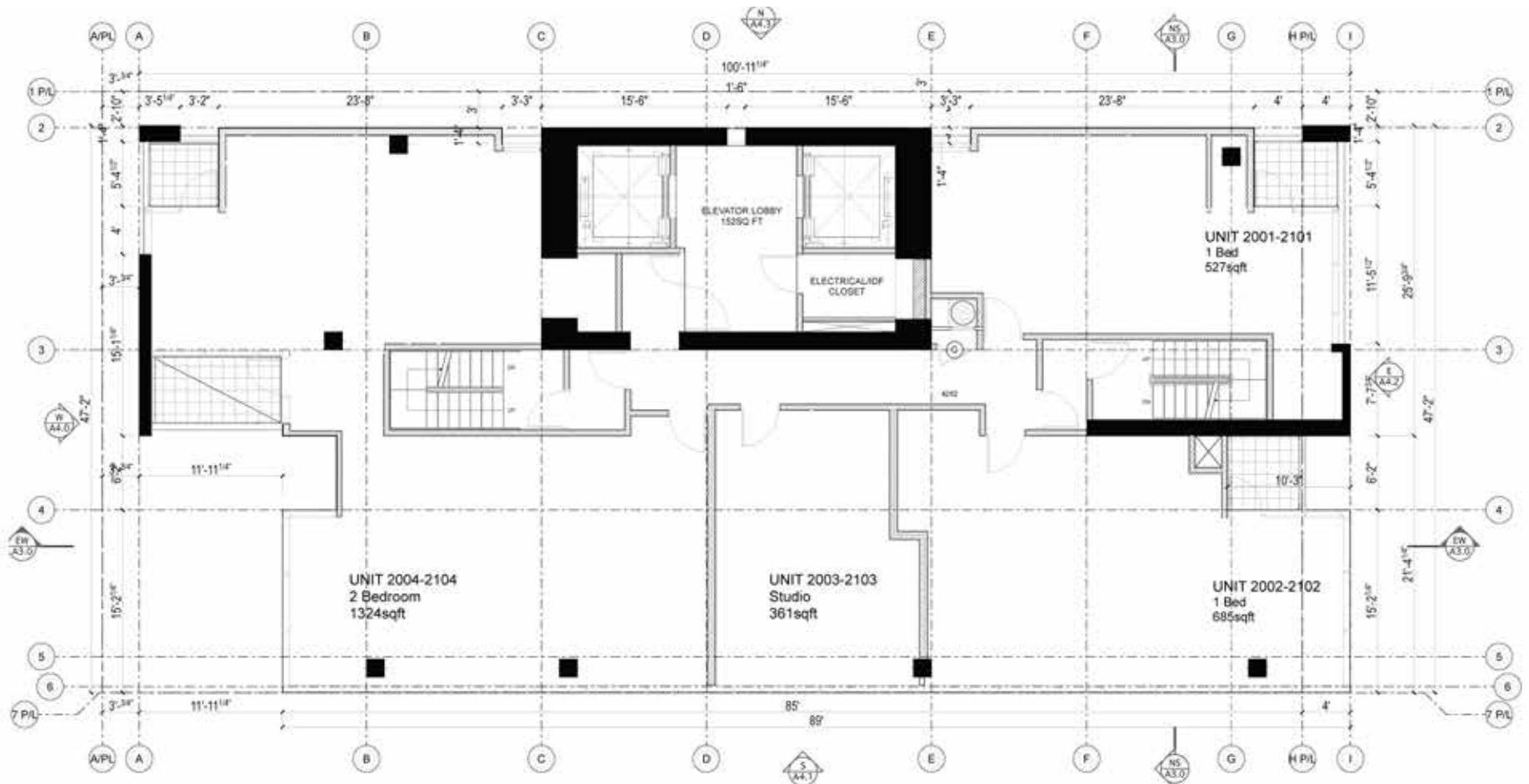
4

UNITS/ FLOOR

2,952

FLOOR RENTABLE SF

# FLOOR 21-22



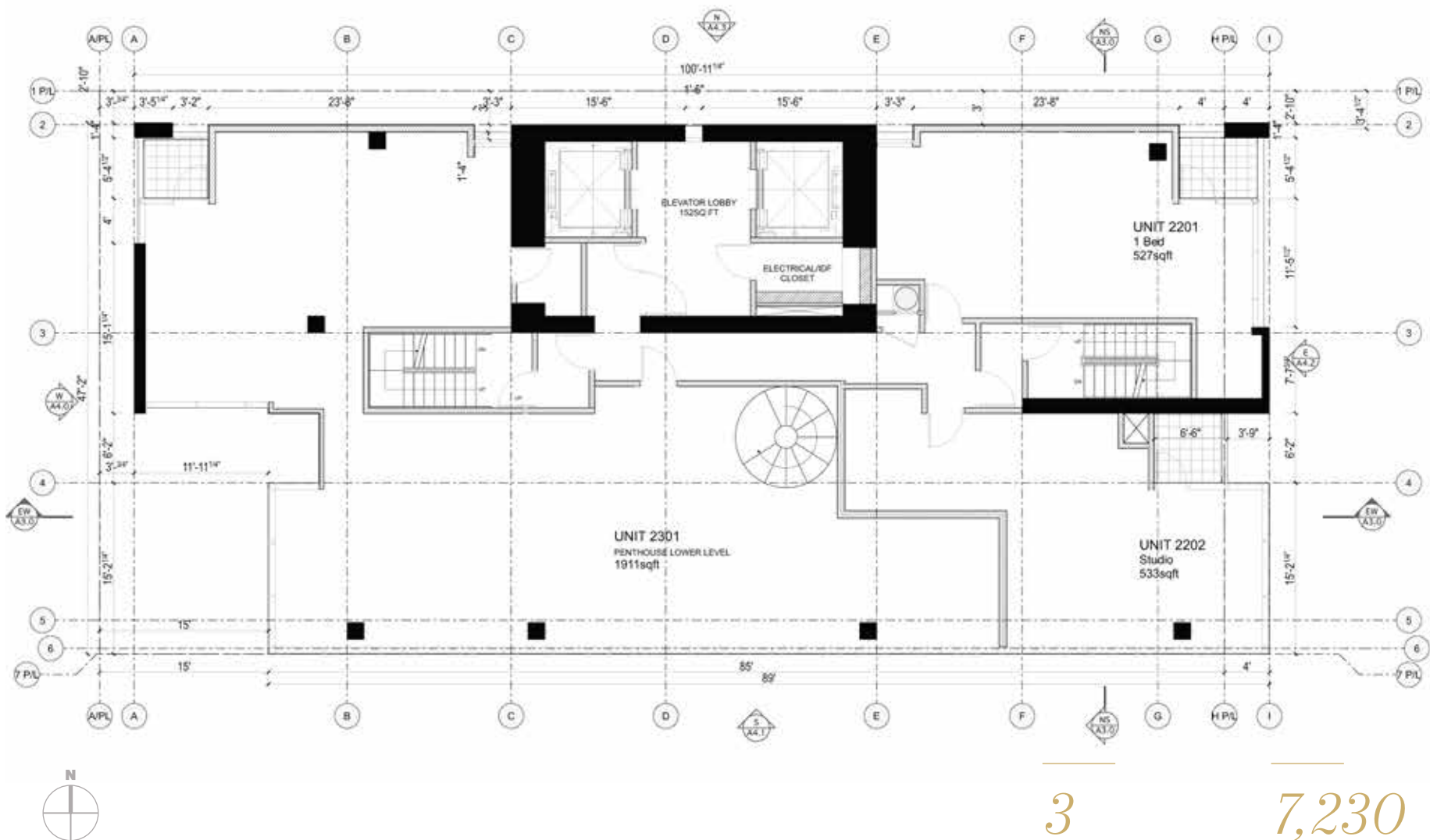
4

UNITS/ FLOOR

2,990

FLOOR RENTABLE SF

## LEVEL 22 - PENTHOUSE LOWER LEVEL



3

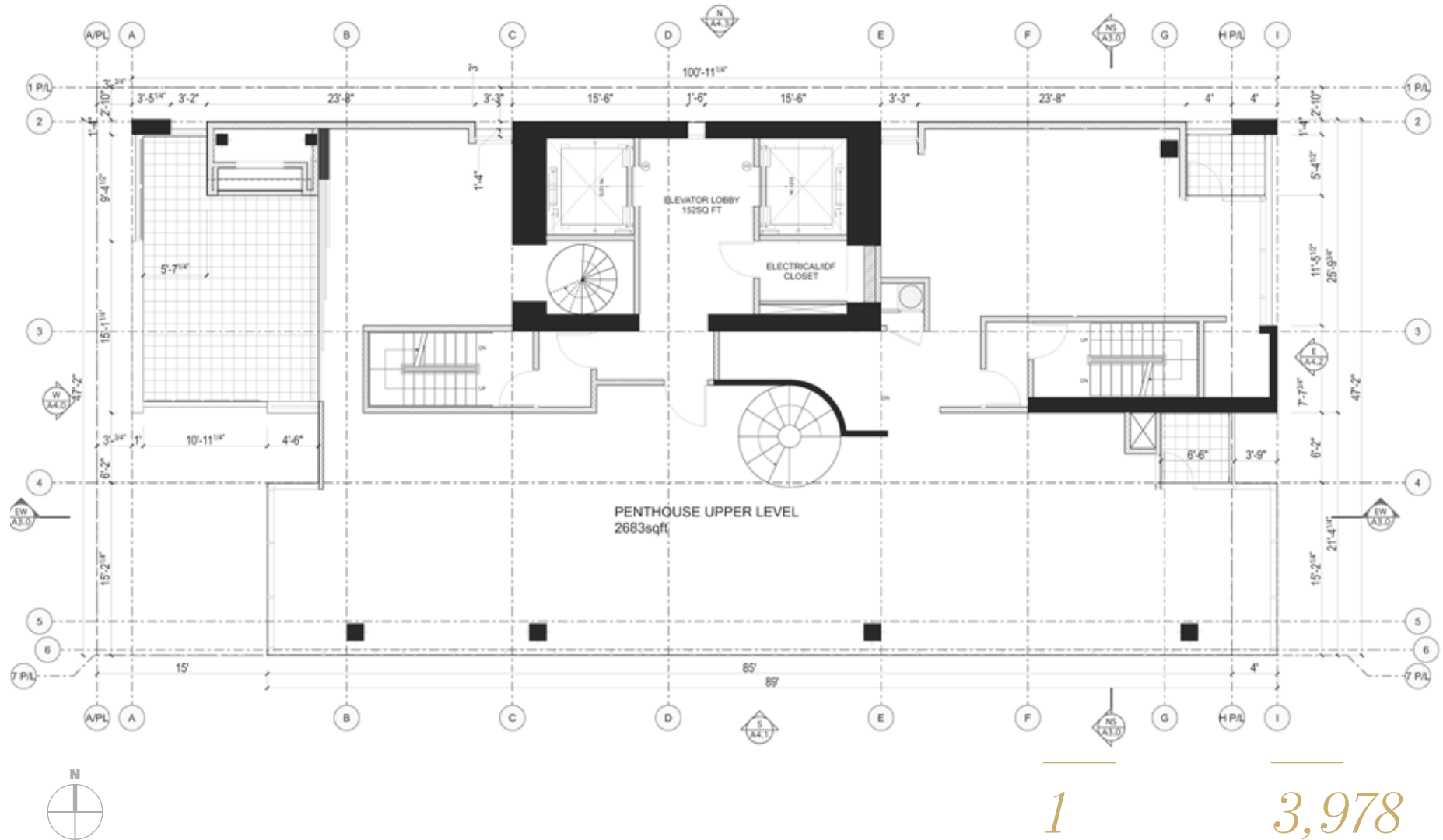
UNITS ON FLOOR

7,230

3RD FLOOR AREA (SF)



# PENTHOUSE UPPER LEVEL

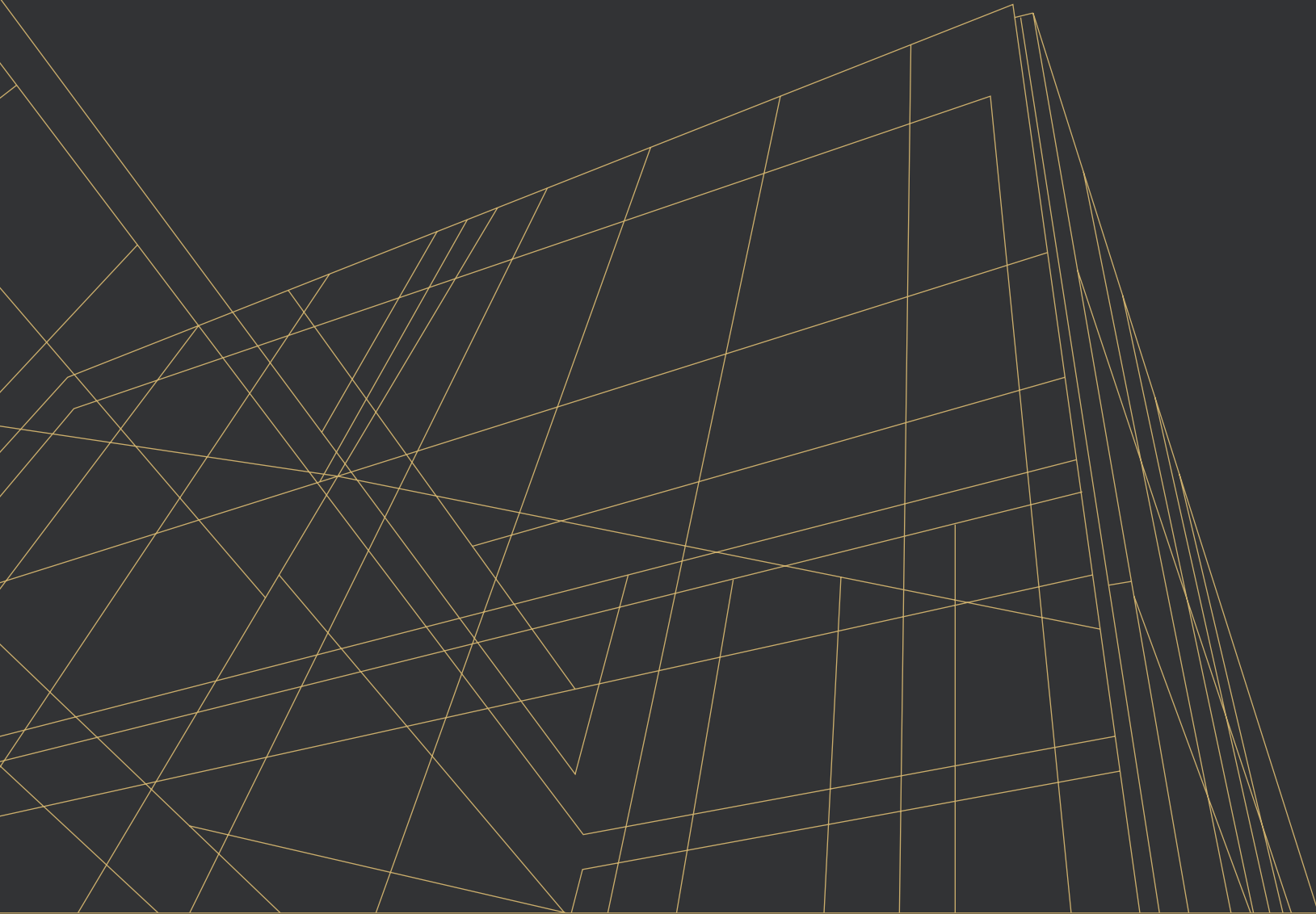


1

UNITS/ FLOOR

3,978

FLOOR RENTABLE SF



# COMPARABLES



## LAND SALE COMPARABLES

**1844 INDIA & 731 W FIR**

Little Italy

SALE PRICE	\$17,900,000
\$/LAND SF	\$893
LAND SIZE	20,038 SF
MAX FAR	Complete Communities Tier 1: No Limit
SALE DATE	11/4/2024
COMMENTS	Portfolio of 3 properties. Planned 153-units to start 4Q 2025

01

**1304 INDIA STREET**

Little Italy

SALE PRICE	\$7,600,000
\$/LAND SF	\$761
LAND SIZE	9,993
MAX FAR	Complete Communities Tier 1: No Limit
SALE DATE	12/7/2022
COMMENTS	Improved as asphalt parking lot.

02

**1555 COLUMBIA STREET**

Little Italy

SALE PRICE	\$3,700,000
\$/LAND SF	\$772
LAND SIZE	4,792
MAX FAR	Tier 1: No Limit
SALE DATE	11/26/2024
COMMENTS	Prime development opportunity; improved with a 1,700 SF office building.

03

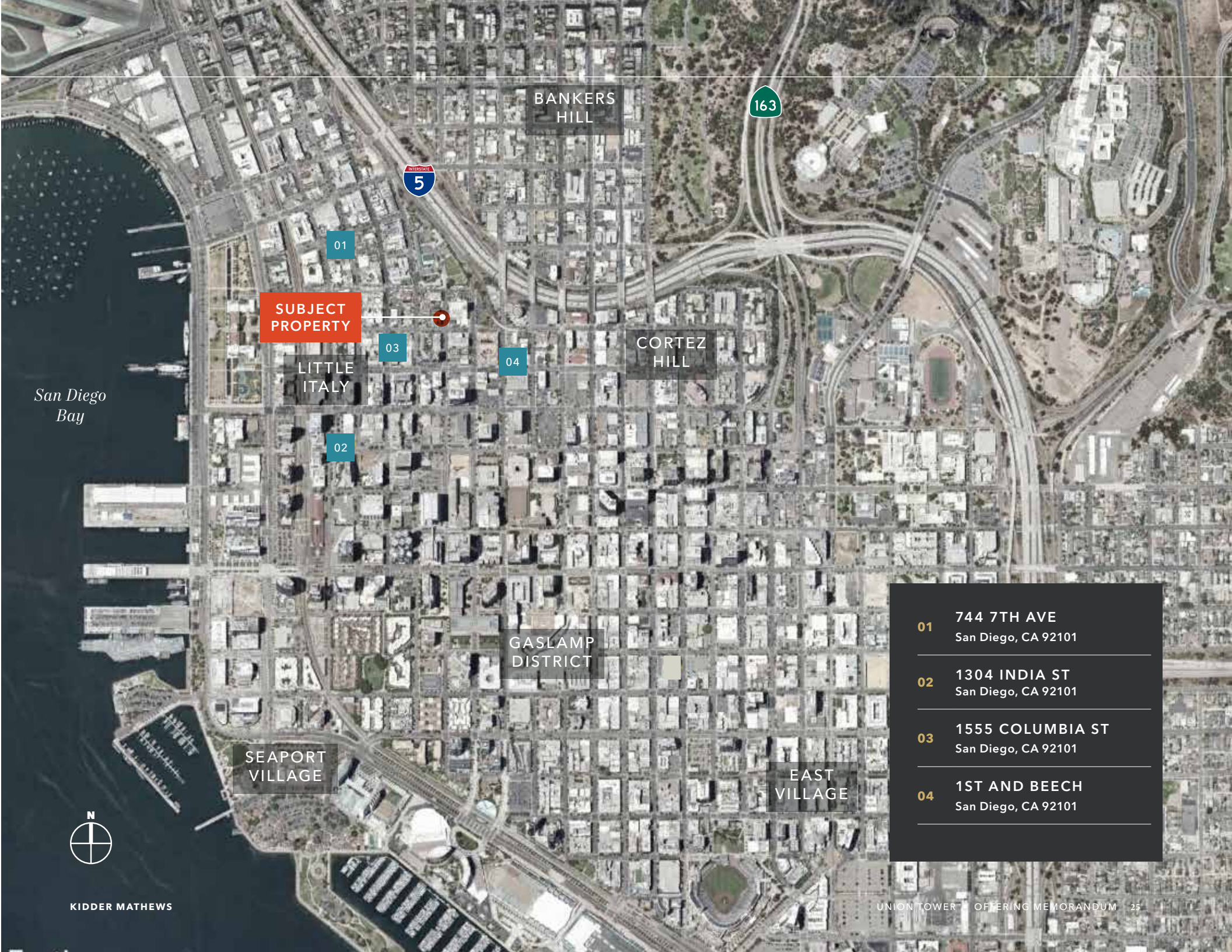
**1ST AND BEECH**

Cortez Hill, Downtown

SALE PRICE	\$6,500,000
\$/LAND SF	\$649
LAND SIZE	10,019
MAX FAR	Tier 1: No Limit
SALE DATE	10/4/2023
COMMENTS	Parking lot. Began construction Oct-2023 on a 22-story, 220 unit bldg.

04





San Diego  
Bay

BANKERS  
HILL

163

5

01

SUBJECT  
PROPERTY

03

LITTLE  
ITALY

04

CORTEZ  
HILL

02

GASLAMP  
DISTRICT

SEAPORT  
VILLAGE

EAST  
VILLAGE

01 744 7TH AVE  
San Diego, CA 92101

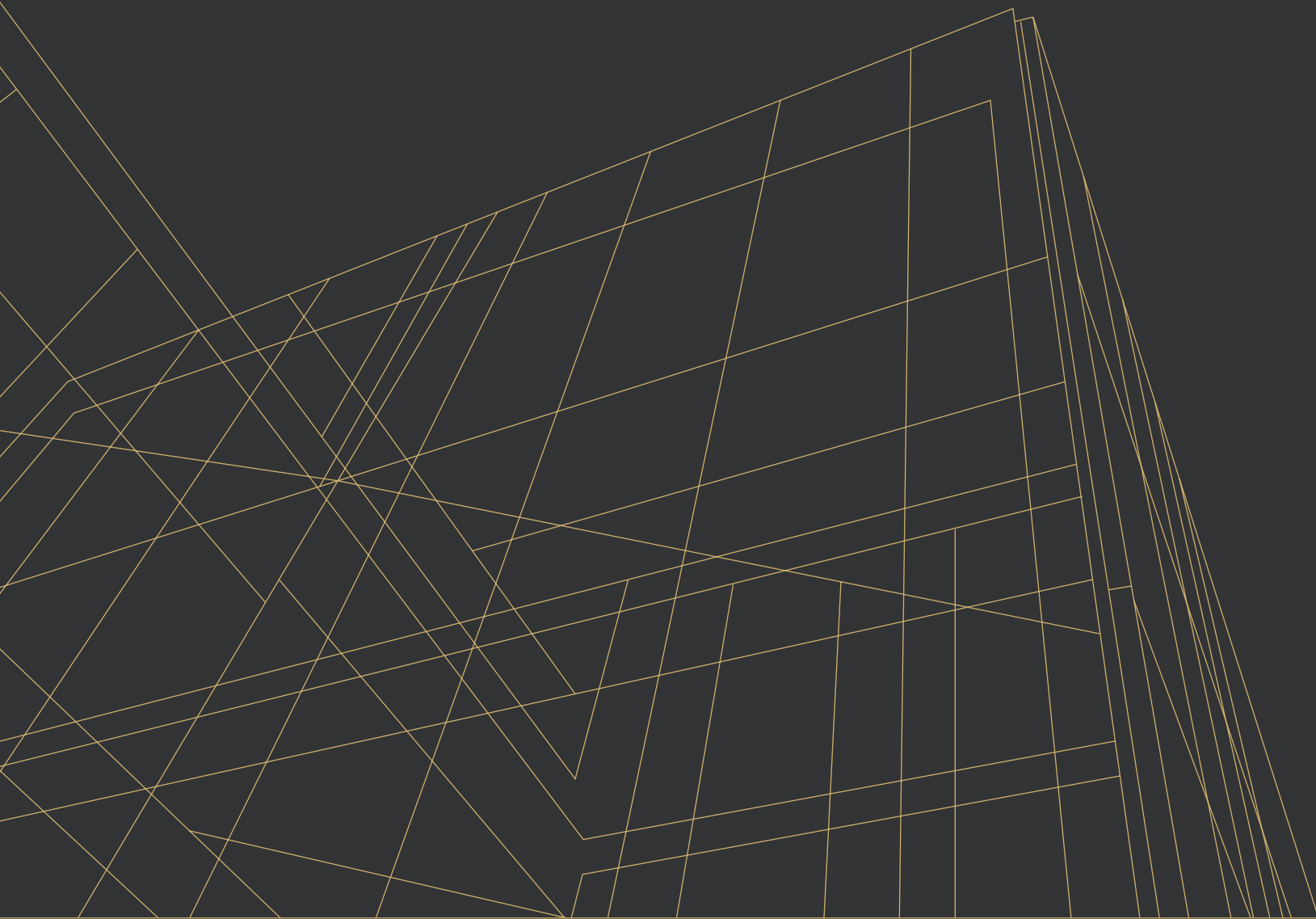
02 1304 INDIA ST  
San Diego, CA 92101

03 1555 COLUMBIA ST  
San Diego, CA 92101

04 1ST AND BEECH  
San Diego, CA 92101









# LOCATION OVERVIEW







# ONE OF SAN DIEGO'S MOST SOUGHT-AFTER SUBMARKETS

*Known for its rich cultural heritage, diverse dining scene, and engaging community events, Little Italy is an affluent, highly walkable and vibrant submarket in San Diego County.*

The residential real estate market has seen significant demand, with a mix of condos, apartments, and some single-family homes attracting young professionals, families, and retirees. As a result, property values have been on the rise, and rental prices generally exceed the San Diego average, reflecting the area's desirability.

The commercial sector thrives with numerous acclaimed restaurants, cafes, and boutiques, contributing to a lively atmosphere that draws both locals and tourists, especially during events like the Little Italy Festa and the Farmer's Market.

The neighborhood benefits from strong public transportation options, including nearby trolley

and bus services, which enhance accessibility. San Diego's International Airport is just two-miles from the subject.

Ongoing urban development projects are further enriching the area, introducing new mixed-use buildings that combine residential and commercial spaces. Little Italy hosts various cultural events throughout the year, fostering a strong sense of community and appealing to residents who enjoy its walkability, parks, and waterfront access.

Little Italy remains a dynamic neighborhood that successfully blends cultural richness with modern living, making it an attractive location for both investment and lifestyle.

---

99

WALK SCORE

---

\$850K

AVERAGE HOME  
VALUE

---

\$156K

AVG HOUSE HOLD  
INCOME

---

80%

COLLEGE DEGREE  
OR HIGHER



## LITTLE ITALY MARKET OVERVIEW

### *Quality of Life*

Little Italy, San Diego, offers a high quality of life characterized by a vibrant community atmosphere, rich cultural experiences, and diverse dining options. Residents enjoy walkable streets, beautiful parks, and waterfront access, all within a lively setting that hosts frequent events and markets, creating a strong sense of connection and engagement among neighbors.

### *Dining & Nightlife*

Little Italy is known for its dining & nightlife. The neighborhood boasts an array of restaurants, ranging from casual eateries to upscale dining, with a strong emphasis on Italian cuisine. Iconic spots like Bencotto Italian Kitchen and Monello attract food enthusiasts, while seafood restaurants such as Ironside Fish & Oyster are popular for their fresh offerings.

### *Community Events/Spaces*

Numerous events throughout the year include weekly farmers' markets, cultural festivals, and outdoor movie nights, fostering a strong sense of community engagement. The neighborhood features several parks and green spaces, such as Amici Park and the waterfront promenade, which provide areas for recreation, relaxation, and community gatherings.

## ARTS & CULTURAL EVENTS

### Little Italy's Farmers' Market

Every Saturday with fresh produce, organic fruits and vegetables, meats, flowers, home accessories, gifts and more. There are over 150 vendors and live music and performances.

### ArtWalk (Spring & Fall)

ArtWalk, San Diego's premier arts and music cultural event with a variety of art booths and performances of artists, musicians and dancers. The event also includes a KidsWalk in Amici Park, where kids can create their own works of art.

### Sicilian Festival (Fall)

This annual festival celebrates all things Sicilian filled with authentic Sicilian cuisine, traditional music, and a Sicilian heritage pavilion.

### Taste of Little Italy (Spring)

The Taste of Little Italy is an annual event where ticket holders can sample appetizers, desserts and specialty beverages from a mix of traditional Italian restaurants and eclectic eateries.

### West Coast Stickball Tournament (September)

The streets of Little Italy come alive with the good ol' American (East Coast) past-time: Stickball. Every year local teams come together to play for the right to call themselves the king of the block; the champions.

### Annual Little Italy FESTA (October)

The largest Italian Festival on the West Coast, Little Italy's Festa is a San Diego tradition which spans two decades. The Festa attracts of 100,000 attendees and displays the rich culture of Italy and offers great entertainment, food, and art.

### Trick-or-Treat on India Street (October)

A family-fun and safe trick-or-treating experience, where children can trick or treat at local businesses and restaurants.

### Tree Lighting & Christmas Village

Held on the first Saturday in December the annual Little Italy Tree Lighting & Christmas Village is an evening of music, free Italian cookies, cider & coffee, shopping and more.

## PARKS & COMMUNITY SPACES

### Amici Park

Amici Park features bocce ball courts, a small Amphitheater, basketball courts, kids play area, a large green playing field and a leash-free dog park.

### Waterfront Park

Completed in 2014, the Waterfront Park It spans 12 acres by the bay and features grassy areas, gardens, picnic spaces, playground and interactive water fountain.

### Piazza della Famiglia

The 10,000 SF public plaza was designed to emulate the grand piazzas found in Italy. The community gathering space hosts concerts and cultural events.







## LITTLE ITALY LOCATION

Little Italy is considered to be one of San Diego's hottest neighborhoods. The surge in interest is tied to the area's reputation for exciting nightlife, dining and exploding arts. Increasingly boutique stores, restaurants and other businesses are joining the established community. Little Italy's strategic cultural location and easy access to Interstate 5 and all points of interest in San Diego are important factors to the area's appeal. Recent redevelopment and multifamily construction has rapidly increased, as many seasoned developers recognize the transformative nature of the area .





*Little Italy has been featured multiple times as one of the best neighborhoods in San Diego Magazine's annual readers' poll.*





## TRANSPORTATION

San Diego offers many modes of public transportation, providing travelers with economical and eco-friendly options to explore the region, including public buses, the San Diego Trolley, COASTER, SPRINTER, Pacific Surfliner, and Pedicabs. Two of the most used is the San Diego Trolley & the city's own international airport.

### SAN DIEGO TROLLEY

The Union Towers site is walking distance (5 blocks or 0.3 miles) from the Little Italy Trolley Station, which is served by the Green Line of the MTS Trolley.

The San Diego Trolley provides convenient services from key locations downtown, including the Santa Fe Depot and the San Diego Convention Center, crisscrossing through downtown and out to various locations like Old Town, Mission Valley, El Cajon, Santee and San Ysidro, which is on the Mexican border. The new University of California San Diego (UCSD) Blue Line trolley extension also expands service northward to Clairemont, the UCSD/La Jolla area and the Westfield University City shopping center.

The Trolley line connects to Amtrak's Pacific Surfliner Trains and North County's COASTER train at the Santa Fe Depot station.

*The San Diego Trolley provides traffic-free commutes to the numerous amenities around the city.*

### SAN DIEGO INTERNATIONAL AIRPORT

The San Diego International Airport (SAN) is less than two miles from the subject and provides commercial air transportation to roughly 20 million passengers annually. The two terminals at SAN service 18 airlines which connect to 60 nonstop destinations worldwide.



### SAN DIEGO TROLLEY ROUTES

	American Plaza-San Ysidro/Tijuana TC
	Blue Line Extension-San Ysidro/Tijuana TC to UCSD
	Gillespie Field-Santa Fe Depot
	Santee Town Center-12th & Imperial TC
	Normal Station
	Interchange Station
	Terminal Station
	MTS Bus Route 992 to Airport
	COASTER & Amtrak Pacific Surfliner to Points North

# LITTLE ITALY DEMOGRAPHICS

## POPULATION

	Little Italy Submarket
2024 TOTAL	6,267
2029 PROJECTION	7,082
2020 CENSUS	5,827
PROJECTED GROWTH 2024 - 2029	2.48%
MEDIAN AGE 2024	36.8

## EMPLOYMENT & INCOME

2024 AVERAGE HH INCOME	\$156,361
2029 AVERAGE HH INCOME	\$171,947
2024 PER CAPITA INCOME	\$105,235
TOTAL EMPLOYEES 2024	5,498

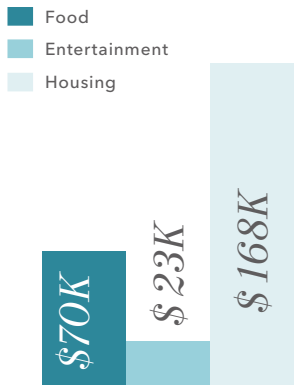
## HOUSEHOLDS

2024 HOUSING UNITS	4,941
2029 PROJECTED HOUSING UNITS	5,581
2020 CENSUS	747
2024 AVERAGE HH SIZE	1.46
OWNER-OCCUPIED 2024	17.5%
AVERAGE HOME VALUE 2024	\$846,672

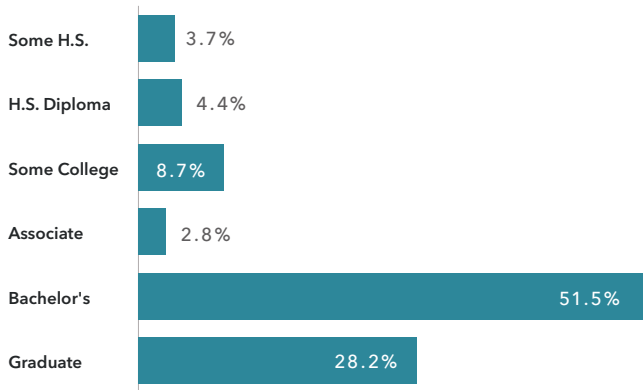
## AVERAGE HOUSEHOLD INCOME



## CONSUMER SPENDING

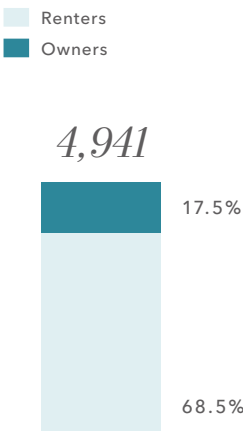


## EDUCATION (2024)



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