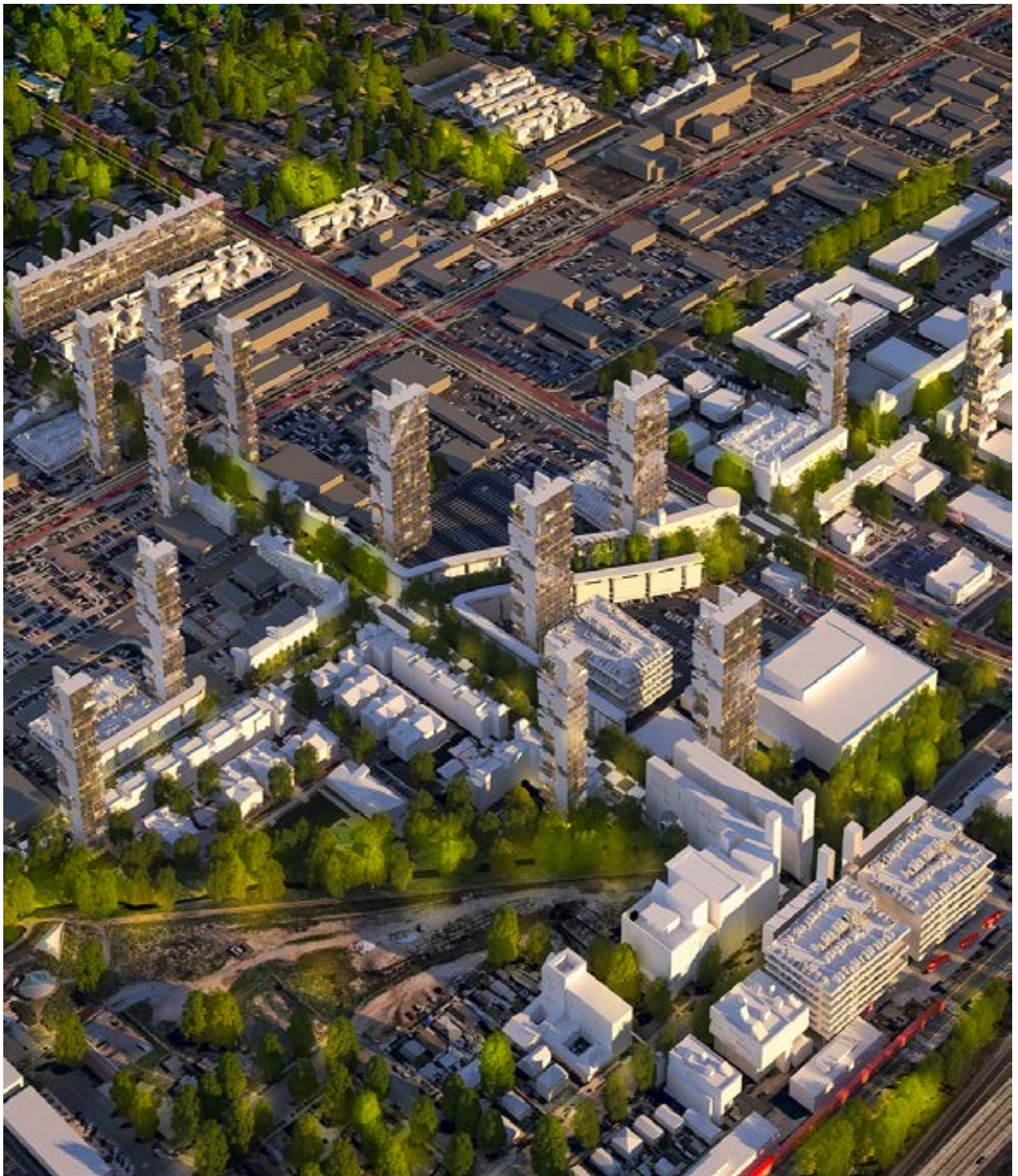


National City

PROTOTYPES

THE**RED**OFFICE



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 Prospectus 8 th and B target market, care of Andrew Malick

 Phillip Molnar , San Diego Average rents trends

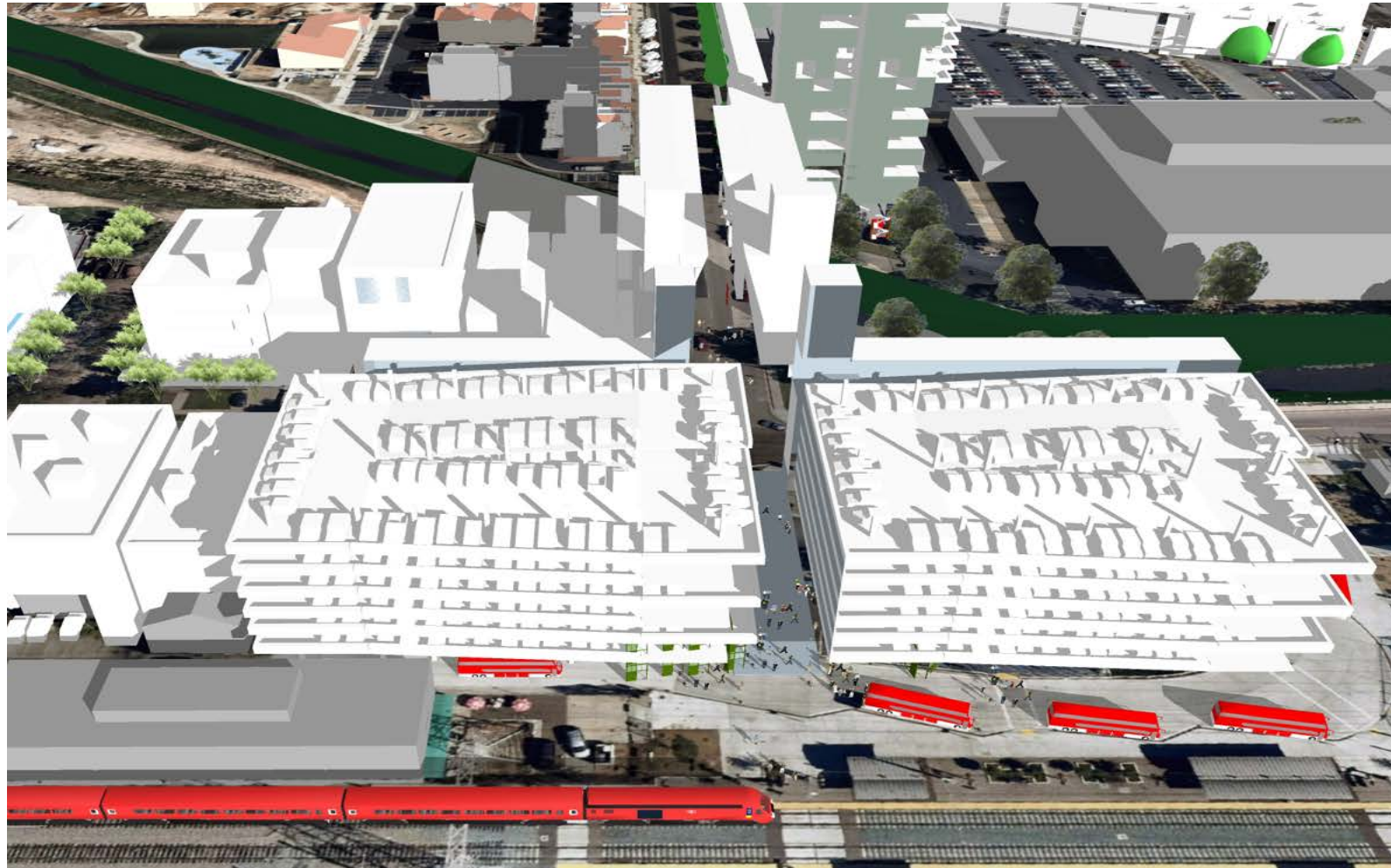
 BBG Inc. , Access, Land Use



24th St. Transit Oriented Development Overlay.

The prototypes presented are individual building blocks of the precise planning presented in this study. The different types visualize physical solutions to the set of interests each particular overlay site presents.

All the types propose housing carefully integrated into the existing city fabric. In the industrial park, housing added creates new mixed-use pedestrian places. In the residential neighborhoods it edifies eroding edges preserving the existing single-family neighborhoods.



INTRODUCTION

Expanded Trolley Stop

At the very heart of our considerations to create pedestrian places in National City is the San Diego Trolley. Dense housing near the transit stops assures all advantages from the huge public expenditure to create the transit system are realized. This study proposes the closing of 22nd street at the intersection of Wilson into an expanded trolley stop development site, allowing the housing element to be located 500 feet from the freeway.

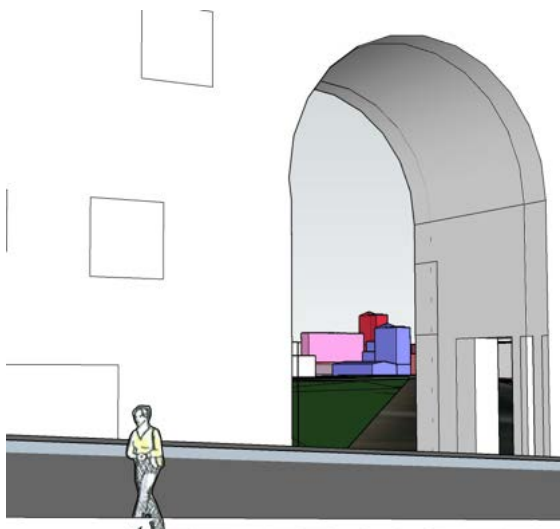
A larger mixed-use housing project might expand the nearby educational complexes, while providing a community-parking garage to support surrounding development. There would be enough room for the Trolley Stop to include:



- 200 housing units on 22nd street and wrapping the Wilson side of the garage.
- 500 cars in a community garage that buffers the housing from the freeway
- 50,000 sq. ft. of educational facilities focused on and activating a central Galleria



Housing could be developed on the road right of way in a “bridge building” with grand arches framing views of the creek and surroundings enhancing the power of the open space. North facing plaza porches could house a restaurant and café fronting the Park. The project would provide funding for the removal of the 22nd street land bridge and culvert and the restoration of the natural creek ecology.







#1 TARGETED INFILL BUILDINGS

Small infill sites abutting the Trolley Stop could be included in the development as individual projects by small developers. The community parking garage makes possible a cluster of these independent infill buildings on lots too small to develop good ground floor uses if parking is provided on site. Pictured are particular infill lots on Wilson, with various programs. We don't imagine a prototypical building in this case, since each could have a different program and even height. Our interest is in a street wall. These lots should have zero foot interior side yards.

Parking variances should be granted developers of these sites to allow the no parking option.





Building like the blue one pictured here could mitigate between the cluster of taller new buildings at the trolley stop and the one story houses further North on Wilson. Perhaps this Southerly entrance to Old Town could be marked with a gateway.

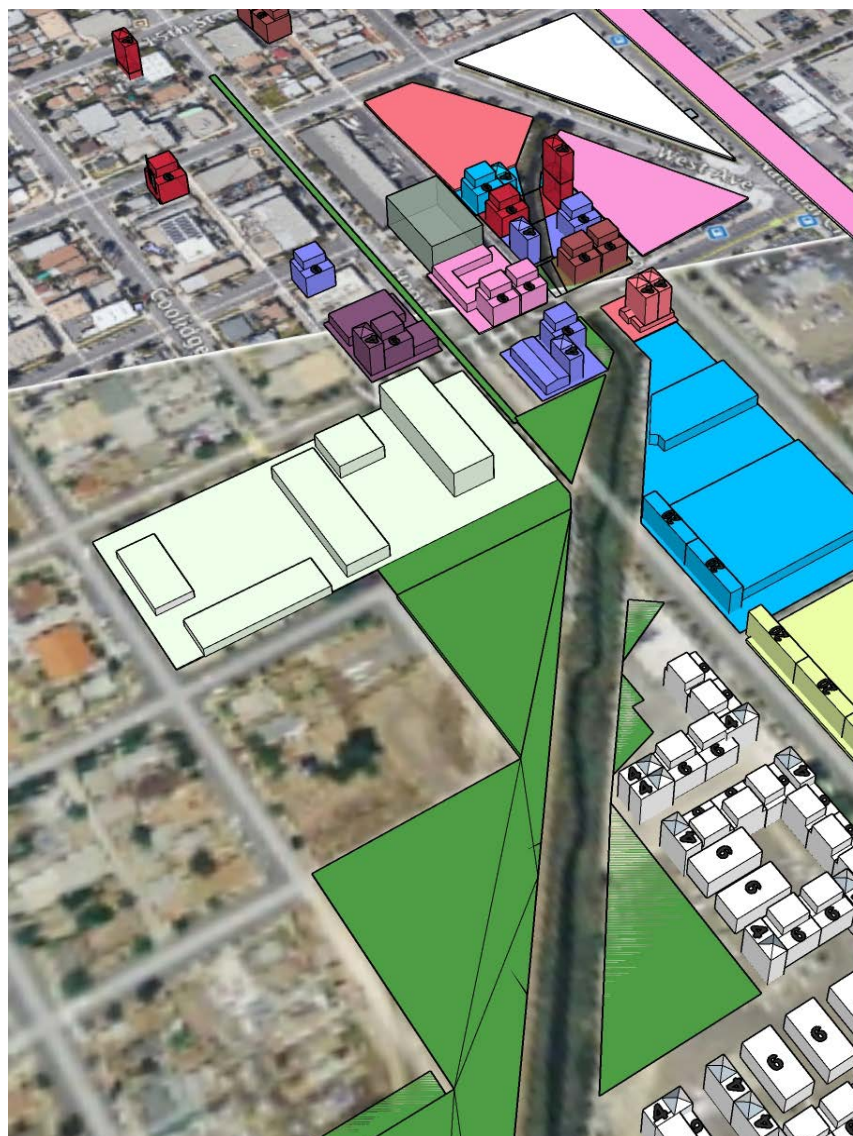




The Northern tip of Paradise Creek along 18th street has numerous infill sites that could make connections continuing up Hoover and on to Kimball Park. Other pocket clusters could be encouraged near Highland and 24th.

These sites typically have reusable single story industrial buildings that are suitable for adaptive reuse. Often they have parking lots that with better mobility could be given up for on grade building expansion. The new buildings should include apartments on the upper stories while including ground floor uses that activate the street.

Clusters of these buildings could begin a street wall enhancing the walking experience and better integrating mixed uses into the Eastern residential streets and the historic neighborhood on the West Side.

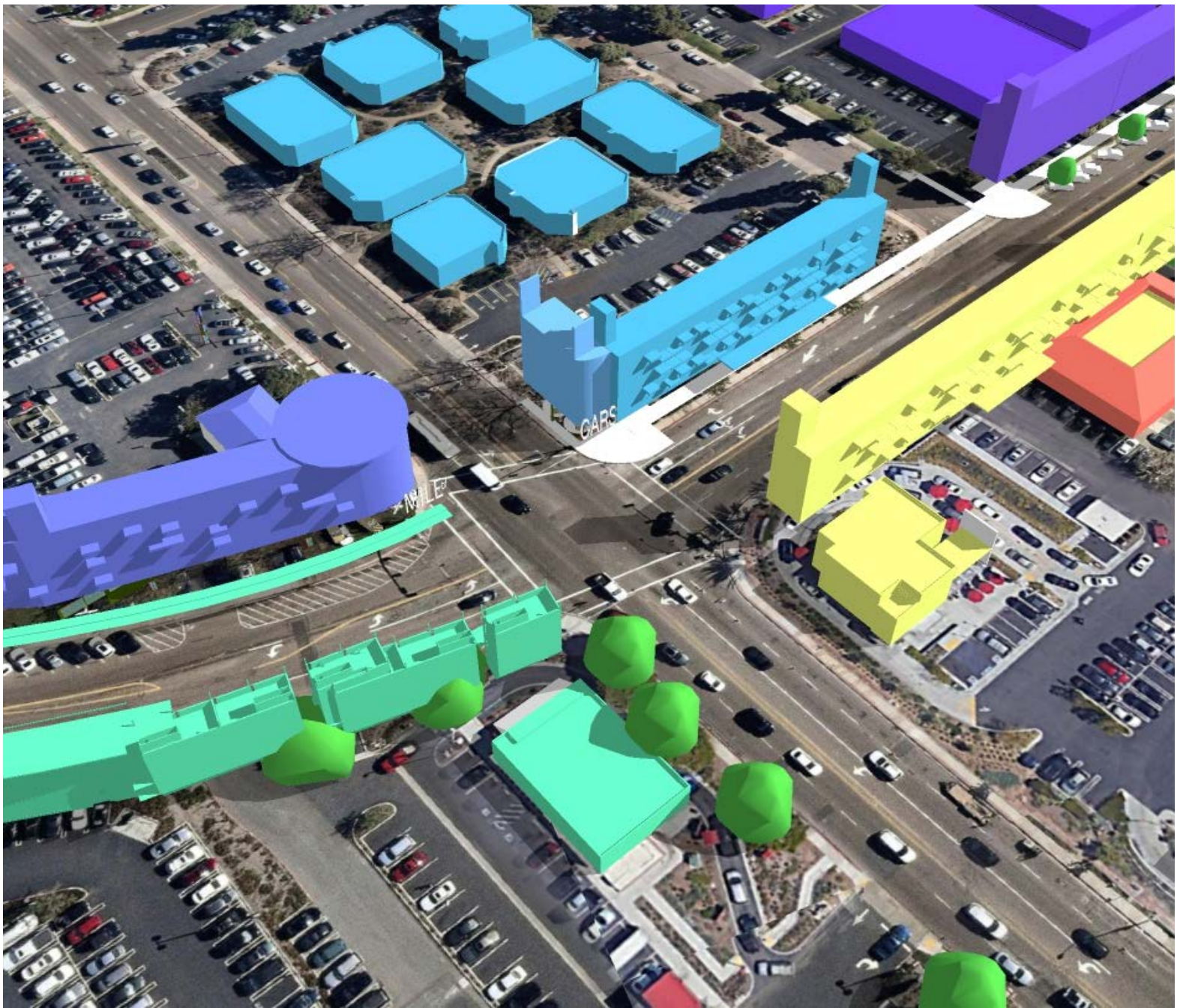


2 Ribbon Buildings

These thin Buildings are proposed on the landscape strips and street yard setbacks. So they don't change the underlying existing use. We target Hoover and 22nd street as primary pedestrian corridors where we hope to build complete urban rooms with buildings of equal scale and use on both sides of the street.

Adding an initial housing overlay to the existing condition accomplishes short and long term goals. Ribbon Buildings can screen and enhance the non-conforming uses in an interim period. Their small footprint adds housing without sacrificing existing land usages. The smaller investment can explore and demonstrate viability instigating development of properties being held for future development.





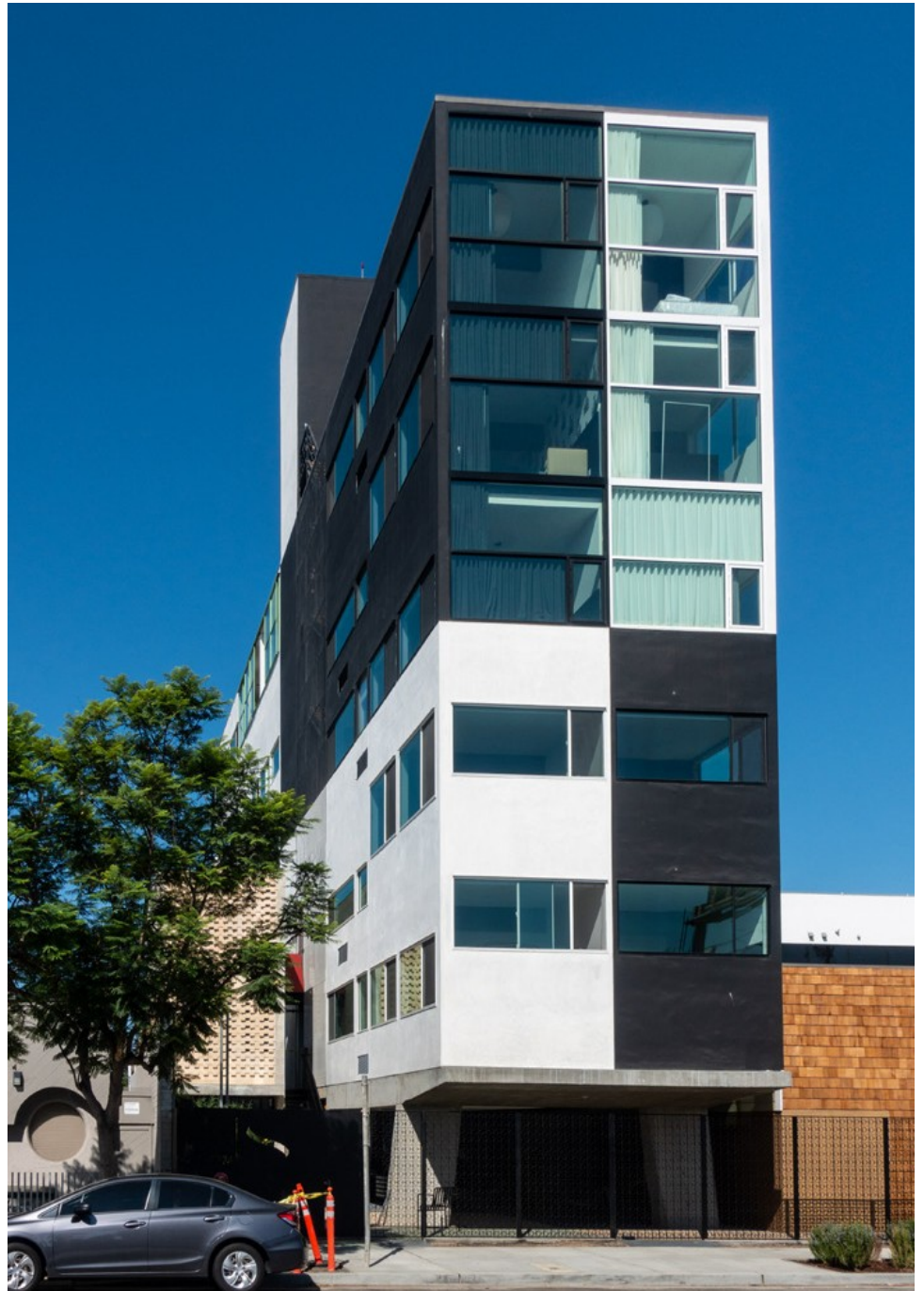
Ribbon Buildings instigate development

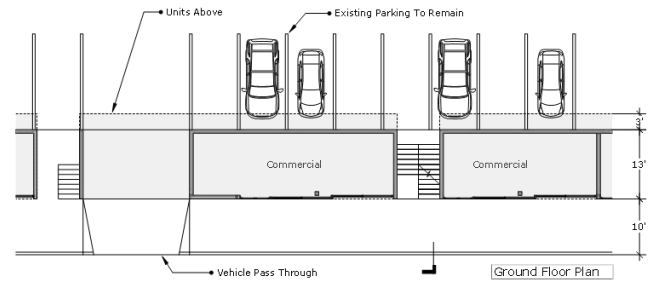
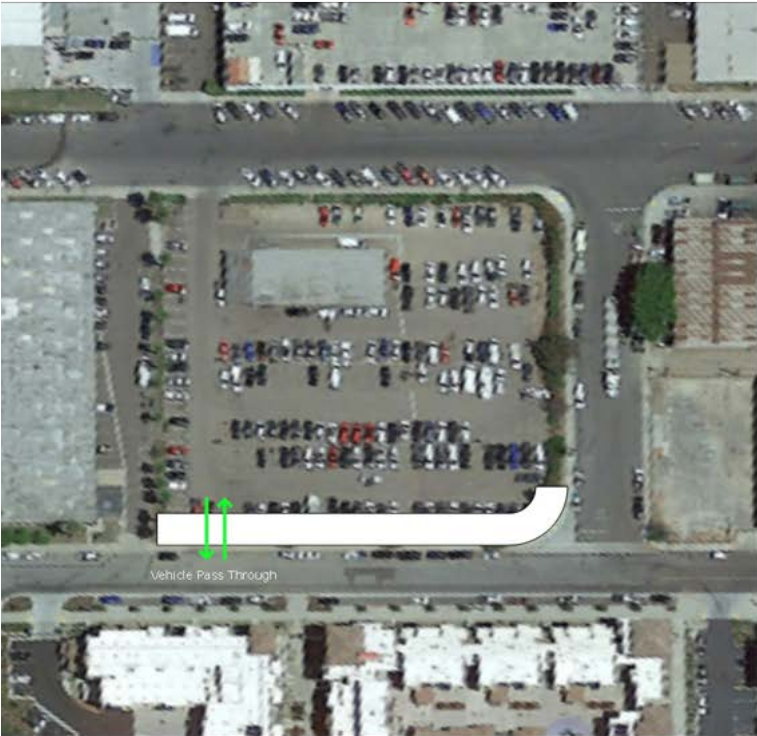
Our main hope with the ribbon buildings is to initiate some housing in an urban setting soon. Soon is the operative word. The Bosa and Fenton holdings together could jump start a new National City with housing focused on connected urban spaces near the transit stop. Both properties are functioning real estate without a financial clock pressing future projects forward. Waiting until the time is right to scrape and rethink the area leaves National City fixed in the status quo. Intermediate development accelerates the potential company returns and the investors, National City, and the Navy win.

The Ribbon buildings charm is that they develop the corridors of connectivity without precluding future added densification. By placing thin buildings on the landscape strips fronting Hoover and 22nd street a new place is begun without sacrificing the existing viable uses or the much larger future dream.

Built example

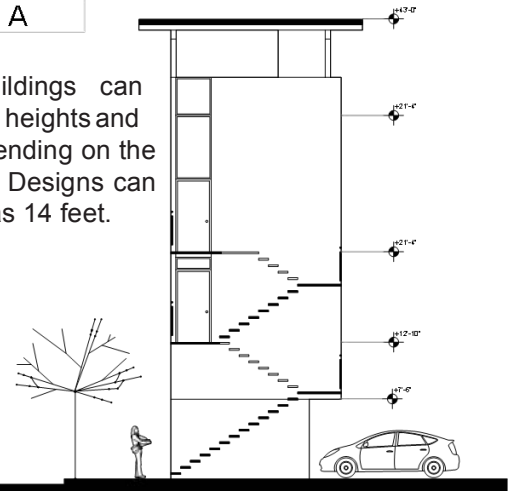
The RED office recently completed a 20' wide micro loft project demonstrating the viability of narrow buildings. The Abpopa, pictures here, contains 25 expectantly lofty apartments only nine feet wide.





Scheme A

Ribbon buildings can be different heights and widths depending on the opportunity. Designs can be as thin as 14 feet.



A walk up height is illustrated here. Although the Ribbon buildings can be six stories and have elevators, shorter buildings may have the same immediate impact, jump starting the development of the pedestrian city spaces we champion.

The section illustrated has ample outdoor space on the penthouse level where private terraces and common patios would provide exterior space in the unusual mixed-use environment.

Ground floor uses would have exceptional street exposure per shop square footage.



Module Section

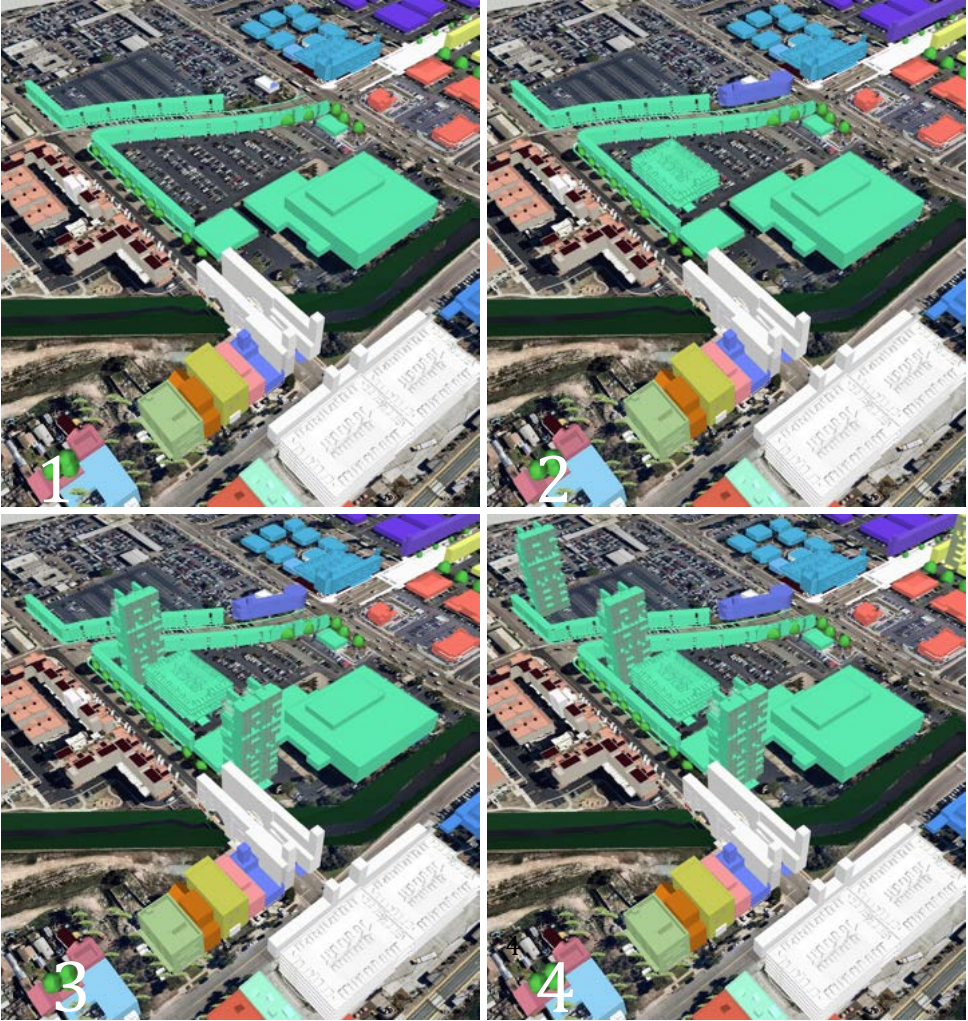


Ribbon Buildings Build a street scape

Ground floors contain entry lobbies, stoops and opportunities for small enterprises like cafes, juice bars and home offices (above).

Pictured to the right in green is the Bosa property lined with ribbon buildings that mirror the Paradise Creek Apartments completing both sides of 22nd street and making a pedestrian place on Hoover Street. The ribbon buildings would be initial instigations beginning the process of renewal.

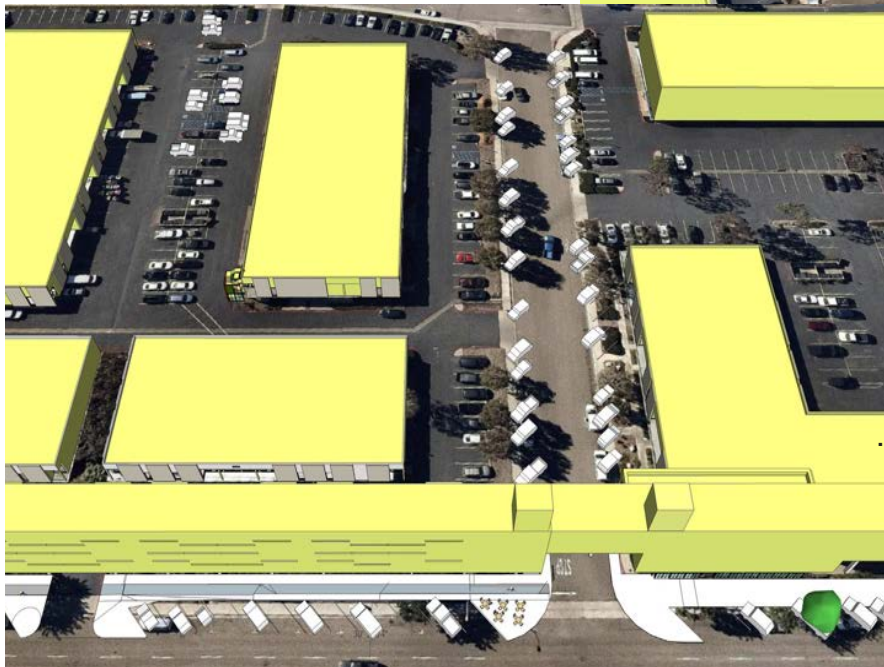
Further development is added as the neighborhood demand and price point grows.



Ribbon Buildings make the Industrial Park's Residential Overlay

- Adds housing within walking distance of the trolley stop
- Creates a pedestrian city space along Hoover.

Each situation is different, but most all the industrial parks offer this opportunity. Large landscape strips and buildings, often set back behind front yard parking lots, provide sites for Ribbon Buildings. We even go so far as to imagine housing added over the drive thru restaurant on Hoover at the shopping center. A connection across 24th St. would tie the Hoover Street string of mixed-use buildings to the trolley stop and other pedestrian places we hope to connect.



Adding Town and Country street parking can replace any lost where Ribbon Buildings touch down to provide ground level uses.

Developments could widen the street and relocate the cycle tracks where required.

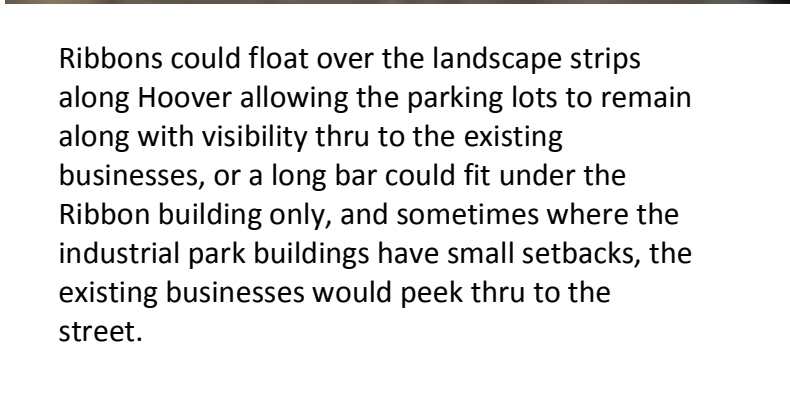
In addition structured parking could be added if deemed necessary.



A café could fill a sidewalk bulb out.



Existing Buildings could be expanded out to the street below the Ribbon Buildings.



Ribbons could float over the landscape strips along Hoover allowing the parking lots to remain along with visibility thru to the existing businesses, or a long bar could fit under the Ribbon building only, and sometimes where the industrial park buildings have small setbacks, the existing businesses would peek thru to the street.

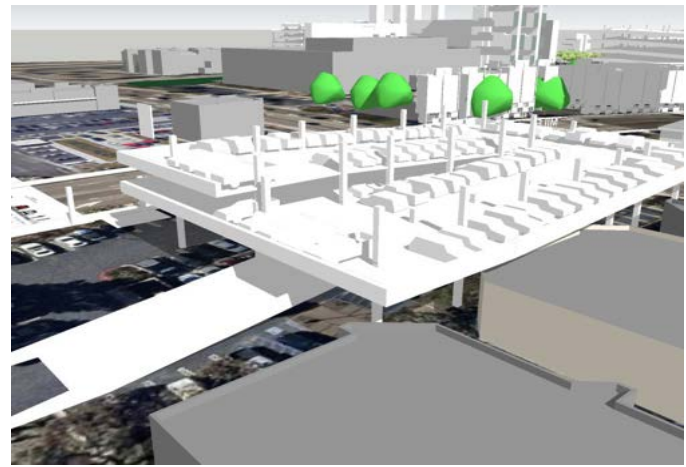


#3 The Spiral Garage

These 120-foot wide above grade parking garages fit into typical light industrial parking lots. They can spiral up to any height or parking ratio. Although the ground levels will require some separation walls, little parking is lost. Once above the ground level, they are very efficient.

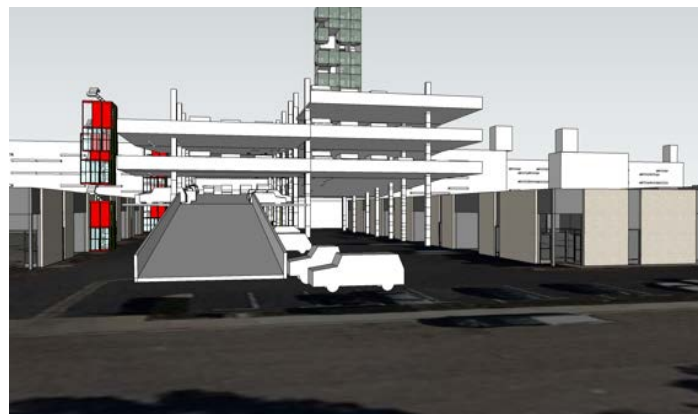
The garages could be inserted while maintaining the existing land usages to provide parking for added residential development where surface parking, and increased mobility do not meet the need.

These garages fit between the existing buildings without disturbing the rear access to the light industrial spaces.



Only a few spaces are lost to the initial ramp

Rear loading and access are maintained



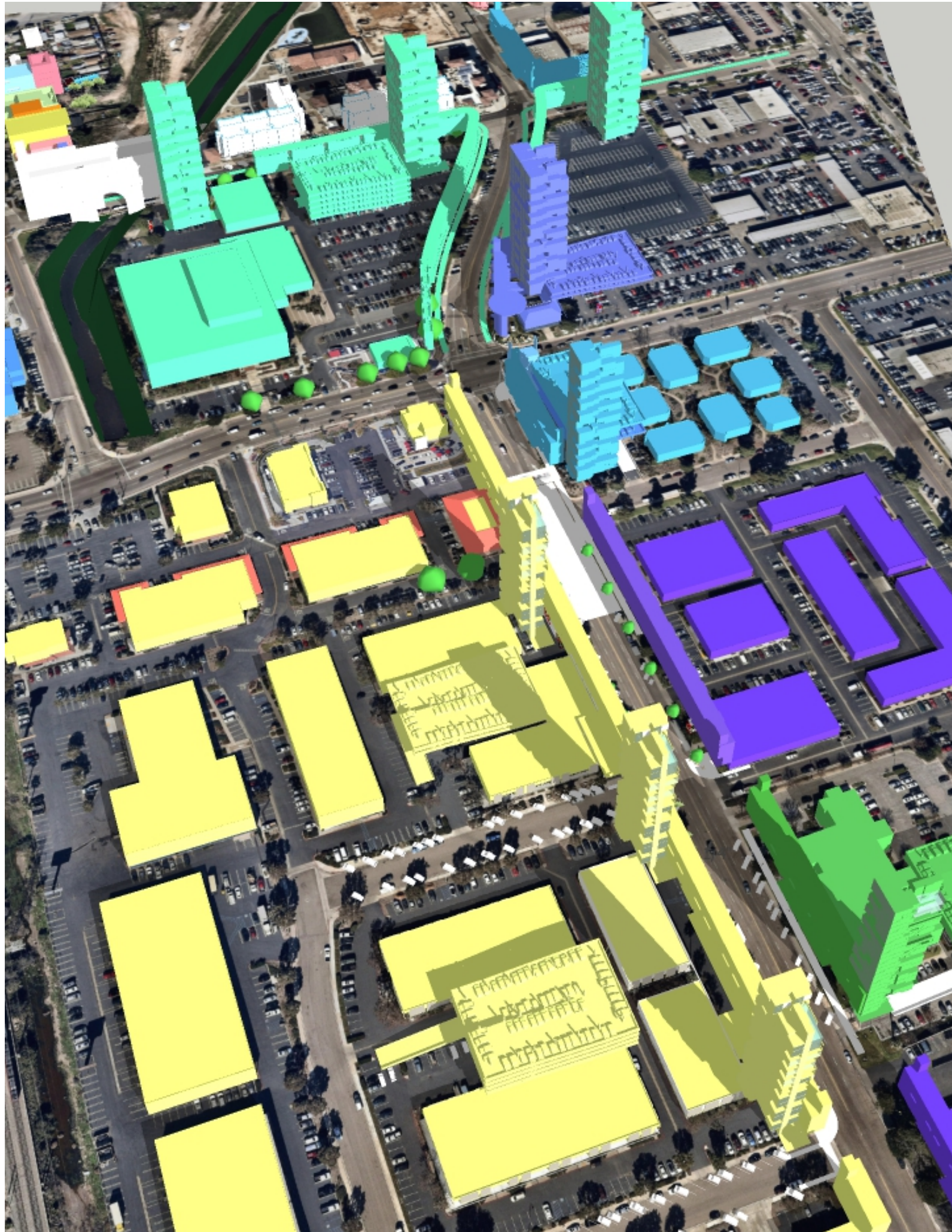
4 PENCIL TOWERS

An increased height limit allowing housing towers should reward developers who jumpstart the renewal with Ribbon Buildings. Where existing uses are maintained, we propose a prototype pencil tower with a small floor plate suitable to fit between industrial park buildings.





Pencil Towers located on open sites within the working industrial parks or office and educational complex have an additional advantage in that they will be separated by comfortable distances. Unlike dense urban models where towers are most often too close together, the windows in these small floor plate buildings would be hundreds of feet apart, an ample distance for privacy while enjoying city and bay views. Their separation also prevents the more Westerly towers from blocking the view opportunity from the 2nd and 3rd tier properties located further to the East. The wide separations allow unhindered views between the towers. We imagine that this degree of development may in fact be the climatic stage, at least into the for-seeable future. The existing light industrial base perfectly located adjacent to Highway 5 remains, an important component of a modern Car City. At the same time a Pedestrian City co exists woven among the tilt ups and storage parking lots. National City would have vital walk-able spaces that are only supportable by dense market rate and affordable housing.







Additional Pencil Tower opportunities exist on properties adjacent to the 22nd street pedestrian corridor. Towers here have the same advantage as the industrial parks and educational complex sites. A Mile of Cars Dealership near the pedestrian corridor of 22nd street could build dense housing by adding a pencil tower and spiral garage while maintaining their existing operations. Perhaps the tower could be an amazing beacon with suitable graphics visible at the scale of the automobile or even a new vertical sales garage like a “Pez” dispenser one might see in Japan.

In keeping with the idea to maximize the pedestrians on 22nd street thus assuring the street’s vibrancy, we suggest if not to late, that the National City Park Apartments locate their proposed tower closer to 22nd street. Pictured is a kind of hybrid prototype, an 8 story Ribbon/Tower Building hovering over the existing 60-foot parking lot at the Westerly edge of the property.

Even the Paradise Creek Apartments have two pencil tower sites if not room for a parking garage. Perhaps the synergy of this possibility would help achieve the Transit Stop that would include a community parking garage.



5 BUFFER PROPERTY SITES

- Stabilize eroding residential edges by completing street spaces.
- Complete both sides of interface streets with residential uses.
- Edify the commercial residential edge to protect single-family homes.

A and B Avenues on the East side of the Mile of Cars are the front lines of parking lot encroachments into the single family neighborhoods to the East. We propose a number of development scenarios where this frontage is edified with buildings that mediate these conflicting uses.

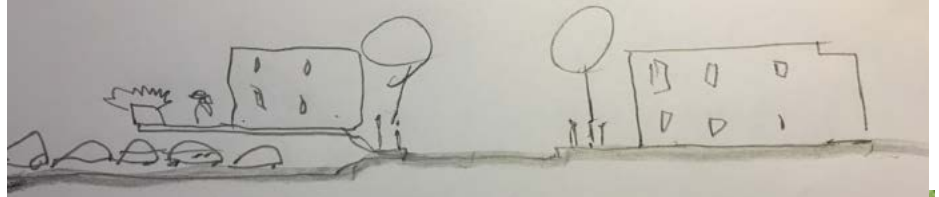
Streets like this (below) illustrate the lost property value buffer residences suffer in proximity to auto maintenance and storage facilities and with the uncertainty of future encroaching developments.



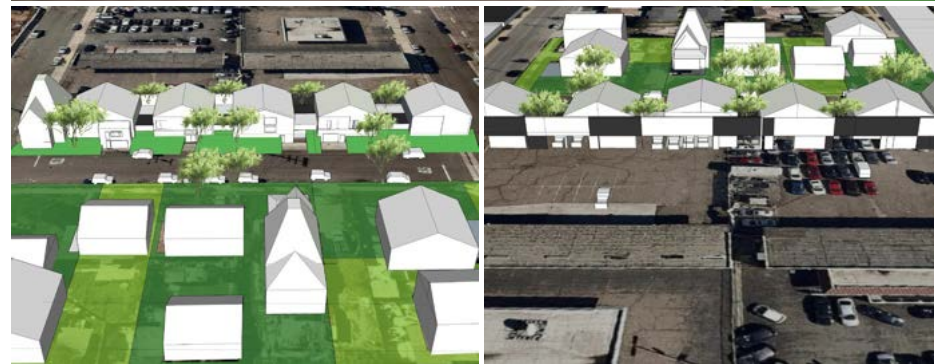
Some interfaces are handled simply and well where the auto uses orient to the West rather than toward the East and the single-family homes. In this case, pictured at right, a hedge on the blank wall goes a long way toward solving the issue.



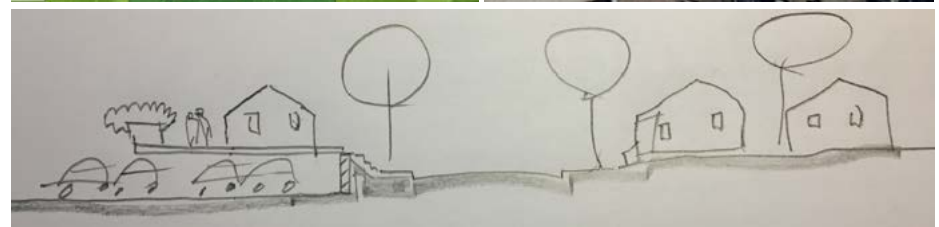
Ideally development on both sides of the street could mirror the other. Illustrated is a buffer prototype that puts a row of four unit houses on top of the auto yard. The house's back yards could be separated from the auto parking below with wide planters and carefully considered view lines. The street would be whole and neighborhood beyond stabilized.



Where the neighborhood is multi-family, the buffer building could be taller.



These buffer sites vary. At 26th street some far encroaching parking lots should be developed as medium density housing in keeping with the density of adjacent multi-family residences.





6- 4 unit houses mimic the neighbors to the East ,



Pictured is a stabilized residential / auto interface, where carefully oriented buildings define the intersections of competing land uses. Pictured at left is one of many middle density housing models where courtyards enhance private spaces.



6 Accessory Dwelling Units and Tiny Houses

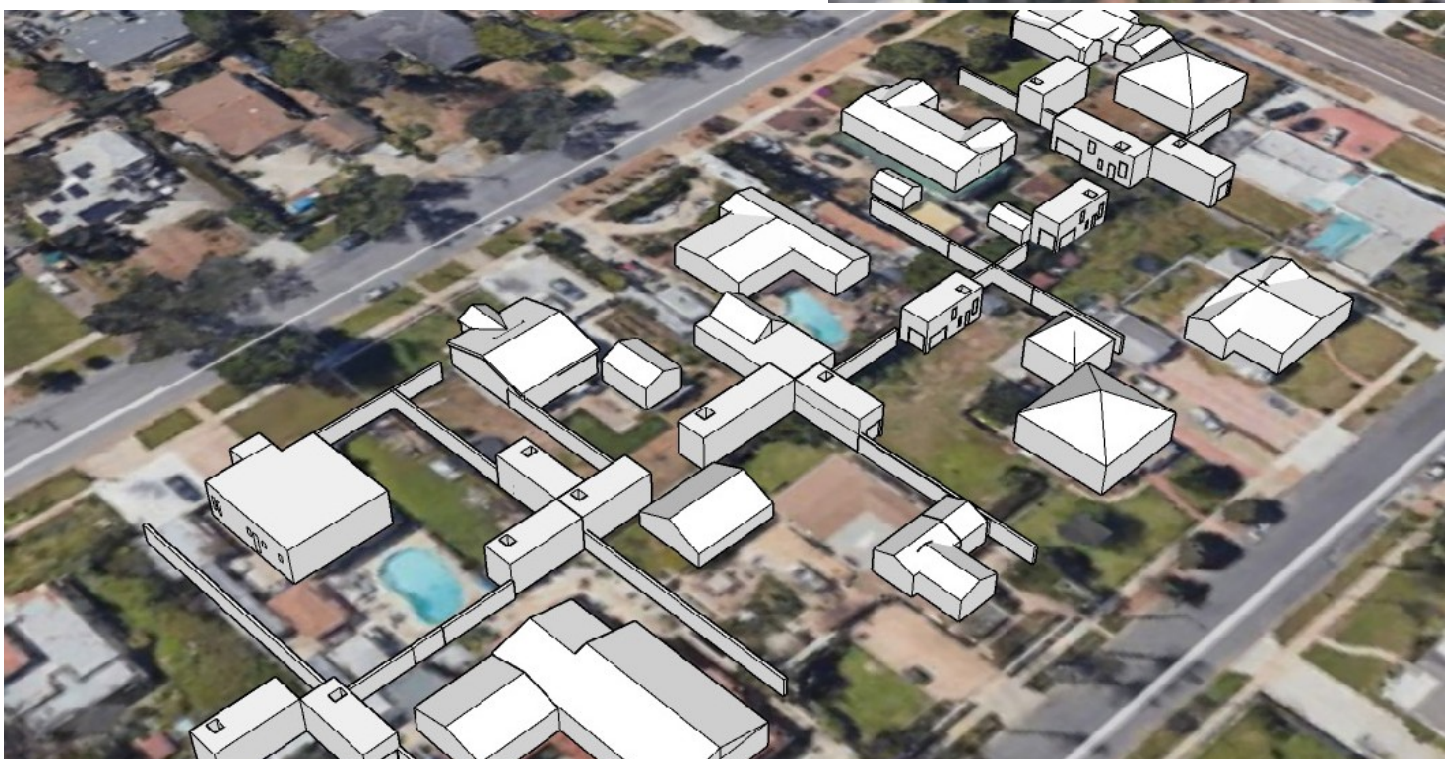
- Provide affordable housing
- Provide subsidies to existing home-owners
- Provide opportunities for multi-generational families
- Help achieve environmental goals thru added density

These tiny houses could be as small as illustrated here only 250 square feet, or as large as allowed with typical ordinances. This larger size could be split into a number of “out” buildings as long as only one new kitchen is added.

These small buildings should be allowed to sit right on the property lines, and 8 foot fences should be allowed to maximize the value of exterior spaces.

Property owners should be able to not only rent but sell their tiny houses, fully participating in the real estate economy. Narrow parcels or flag lots, with smaller minimum square footages and frontages, should be allowed as long as the added units stay well back from the street maintaining the existing spacing and the associated value of the typical neighborhood house.

Tiny houses as pictured below provide better privacy and open spaces with 8’ walls on the property lines.



Advantages and Disadvantages of Infill Housing in the Single Family Neighborhood

Planners are excited about the new State ordinances that encourage accessory dwelling units. Of course we are, because nothing could do more to accomplish ultimate planning goals than allowing a slight densification of the suburban condition. The environmental arguments for density are well known, and all see the advantage to provide for extended families. Even when these flats are rented to non-family members, they can provide subsidies to the property owner while at the same time creating affordable housing units. Municipalities are offering many incentives in the form of reduced permitting costs and ready to build plans hoping to instigate development of this housing type.

However with closer examination, we should be a bit wary. Where property owners occupy their houses, these benefits are clear, helping the resident of the house at the same time the added unit is helping the City build housing and achieve environmental goals. But what will happen in communities where many or even most of the houses are occupied by renters?

Older houses provide perhaps the best option for rental affordability. National City has many houses suitable for families that are affordable because the stock is older. A landlord looking to increase income will be encouraged to build these ADU units changing three bedroom single-family homes into 4 unit apartment complexes. The multiplied rents on the four-plexes will be followed by increased property values, and eventually that housing stock once affordable to the present occupants will be lost. The big back yard or the garage workshop that the single family home offered is diminished even when the existing non-owner occupant can afford to stay once the ADU is added.

We have offered a measure to increase privacy and make better use of exterior spaces in the form of zero foot interior side yard setbacks and taller allowable fences on property lines. But more importantly perhaps, we have suggested that allowing sub-standard minimum lot sizes and flag configurations would allow the ADUs to be sold separately providing a set of houses at lower cost than the existing homes. We imagined how an existing owner occupant, could participate in the real estate development business profiting by selling a portion of a lot that in the owner's estimation is worth the trade.

We find it more difficult to address the underlying problem that improvements in a single family zone will lead to increased rents, and potentially to losing valuable affordable multi bedroom houses. There is a trade for more studio and small-scale units but lost family housing may be an odd result of the ordinances that are intended and advertised to increase family options for multi generational households

Although we most often think of ADUs as studios or one-bedroom units, multi bedroom units should be encouraged. However, building these bigger accessory units will be difficult since family rents will not support the larger construction cost. The key to development return is the increased rent a studio receives per square foot compared to a multi bedroom unit. Considering all the benefits of the accessory unit ordinances, perhaps the City can provide additional subsidy to builders of multi bedroom tiny houses.

At the heart of this study is the intent to protect the status quo. Our plan protects as much as it envisions a future National City. In the industrial parts of the city, with in walking distance of the transit stop, we can add super dense housing with the proposed over lay strategy without displacing the existing uses. In the residential areas of the city our first concern should be protecting the existing single-family neighborhoods from encroachment and the occupants from displacement.

Another green strategy in residential neighborhoods might be a more direct approach. Rather than counting on density to improve our carbon footprint here, perhaps the City should develop a program of tax rebates to encourage the planting of trees.

Financial Viability



Parking Strategies

Before considering the economic viability of the prototypes presented it is fundamental to discuss the impact of parking on property development potential. Parking is a primary requirement of developments in cities like ours where the underlying fabric will always require auto travel and plenty of parking. However, the existing paradigm is changing.

Increased Mobility features

The increased mobility features at the heart of this study provide many parking advantages to the properties served. These new alternatives contribute to a reduced need for parking in the prototypes considered.

1. Trolley and Bus service are an obvious means to move trips from private automobiles to public transit. Projects close to the transit stop provide opportunities for living without a car. The greater city of San Diego with all its amenities is accessible on foot.
2. The proposed and existing system of bike lanes and cycle tracks provide alternative methods of travel to slightly longer distances than one might care to walk. The bay front and National City destinations North of the study area are within a short bike ride. Vehicle trips and the parking required for new projects would be reduced.
3. The proposed shuttle service between the Navy base and National City locations will provide a simple means to move people without requiring parking for cars.
4. The success of companies like Uber and Lift point to a new model of transportation. In addition the future will see the renewed success of Smart Cars as electric charging stations become components of new development projects.

Community Parking Structure

The community parking structure which should be a part of the trolley stop development will allow the small infill buildings near the stop and the Ribbon buildings nearby to function with less or no parking.

Enhanced Pedestrian Spaces

The enhanced pedestrian spaces defined by the Ribbon buildings themselves will induce walking. A pleasant walk on an active street is a great way to exercise and visit the daily eating opportunities close to the industrial parks and the residences along Hoover and 22nd street. The very density proposed along the pedestrian corridors will instigate walking as the resident populations grow to a point that services are supported and located within walking distance.

Time Share

The industrial parks have a better opportunity to share existing parking lots with added residential buildings. Unlike typical time share calculations involving retail uses, the typical hours of operation of industrial parks leave the lots closer to empty after closing and more available to residential users.

Diagonal Parking

There are many opportunities to add diagonal parking on service streets. Where Cycle tracks conflict with diagonal parking, street right of way widths can be increased with dedications. This sort of parking is extremely efficient. Forty-Five degree diagonal parking requires only 30 feet including the travel lane. Not only is diagonal parking efficient but it is also convenient, located right out front of the uses it serves. In the industrial park any parking lost to ground floor uses under the Ribbon Buildings can be replaced with diagonal parking at minimum cost. The cost of moving curbs and dedicating property if required is negligible and can be considered included in typical site work figures used when comparing these buildings with constructed examples.

Spiral Parking Garages

The spiral parking garage prototypes we present can take care of any needs not solved with the before mentioned parking considerations. It can also have more floors as necessary with the ability to expand as the demand is determined. These garages are efficient because the only ramp required is the initial one from the ground to first level. From there up the ramp is a double loaded parking isle. These garages will either need to be close enough to the ribbon buildings to share elevators or they will need to have their own. The same can be said for the staircases. However other than those expenses that all multi floor garages have, open above grade garages are the least expensive constructed parking.

The taller these garages become the more efficient they are. In the cost estimate that follows, the initial floor could cost as much \$74,274 per space but as additional floors are added the cost goes down quickly. An additional floor may only cost \$32,471 per space. A minimum garages might be two new parking levels or 3 stories, but the taller they become, the more efficient they are.

Spiral Parking Garage

width	length	sq feet per level		cars
120	182	21840		65
	21840	Central Garage Level 1	\$ 55.00	\$ 1,201,200
	21	Footings 5x5:	1650 \$ 20.00	\$ 33,000
	21	Columns	\$ 1,800.00	\$ 37,800
		Electrical	\$ 1.00	\$ 21,840
	2174.4	Half walls	\$ 28.00	\$ 60,883
water proof		Asphalt	\$ 4.00	\$ 87,360
		Stripping	\$ 0.50	\$ 10,920
		sprinklers alarms	\$ 6.92	\$ 151,133
		tall first floor columns	\$ 600.00	\$ 12,600
		first floor ramp		\$ 100,000
		Steel exterior stairs per flight		\$ 25,000
		trellises		\$ 25,000
		on sites pavements landscaping		\$ 50,000
		on sites utility trenching		\$ 10,000
		off sites utility connections		\$ 25,000
		Total sub contracts		\$ 1,851,736
		elevators		\$ 150,000
	8.00%	General Contractor		\$ 148,139
		Super	2.86%	\$ 120,000
	4.13%	General Conditions from Abpopa		\$ 76,477
		total		\$ 4,198,088
	15%	contingency		\$ 629,713
				<hr/>
				\$ 4,827,801
Parking provided		65		\$ 74,274 per space
additional level				
		Total sub contracts		\$ 1,596,136
	8.00%	General Contractor		\$ 127,691
		Super		\$ 45,625
	4.13%	General Conditions from Abpopa		\$ 65,920
		total		\$ 1,835,372
	15%	contingency		\$ 275,306
				\$ 2,110,678
		65		\$ 32,471.97 per space
				\$53,373 average

Housing Prototypes

Financial Feasibility

This study considers basic financial factors to determine feasibility. A simple margin comparing total development cost and capitalized value of 20% is considered feasible. Snap shot returns on investment, or “cash on cash” is considered sufficient detail for early feasibility studies. We consider a 7% return in today’s market feasible.



Ribbon Buildings

Ribbon Buildings may be an intermediate idea to instigate development, but they are also attractive projects on their own merit. These buildings are made affordable primarily from the use of property without removing an existing use. There is little to no land cost since the buildings are located on street setbacks and landscape strips without removing the existing buildings and uses.

And they *do* get the renewal started. Perhaps the city could offer incentives reducing indirect costs in the form of streamlined permit processes and reduced fees.

Typically the ground floor uses under Ribbon Buildings will reduce some existing parking, especially where the existing structures are expanded out to the sidewalk under the Ribbon Buildings. These ground floor uses, cafés, restaurants, long bars and expanded commercial spaces that we have illustrated are important

components of the pedestrian friendly spaces we encourage. So losing some parking even with the very thin building is necessary. Determining the correct amount to replace or expand becomes particular to the site considered.

The parking strategies described should be used to the degree required given the particular situation. For the 200 micro unit design example we considered on the HG Fenton property, the lost surface parking along Hoover was fully replaced by adding diagonal parking on Hoover and the cross streets serving the complex.

If one was to believe time-sharing of parking spaces could be 15% effective, another 150 spaces of the ample existing Fenton surface parking lots become available for the residential users. We suspect the new street activating commercial spaces could also be served sufficiently by the existing lots and added diagonal parking both in the daytime and evening.

If the enhanced mobility features we described above contribute by reducing trips and the need to have a car, the need for as many as another 50 spaces may not be required in the Fenton study. These strategies alone will probably serve the 200-unit Ribbon Building sufficiently without new structured parking.

Since we have recently completed a six story 120 foot long Ribbon Building in Hillcrest, we are familiar with the impact of its narrowness on actual costs. As should be expected the cost was higher than typical large plate wood frame over podium buildings. However, we are able to show that the buildings perform providing market rate affordability easily. Even if the garages are added, the project we studied on the Fenton property works well.

There are also additional development advantages to the Ribbon Buildings. Although there is no real land cost to consider, the equity of the land can be used in the lending proforma to bolster actual cash equity requirements. So the "free" land becomes equity, producing exceptional cash returns when considering the real investment less land value.

Presented here is a profitable market rate apartment building than can easily offer affordable rents. If a non-profit partnered to develop ribbon housing, units could be made doubly affordable .

In summary Ribbon buildings are not only financially feasible, but are exceptional investment opportunities. They maintain existing uses, eliminate typical development carry periods, and require little to no constructed parking. The free land of this otherwise fully functioning real estate investment is doubly effective acting as equity. Beyond the immediate viability of the Ribbon Building these intermediate uses will accelerate project returns. Sites held for future development find the future much closer.

Comparable Project

Abpopa Hillcrest

length 125'
 height 65'
 stories 6
 gross sq. ft. 15000
 hard cost \$2,525,000
 per gross foot \$217.672
 units 24
 sq ft 300
 commercial sq ft 1000

Fenton Ribbon Building

length 959'
 height 60'
 stories 6
 gross sq. ft. 115080
 hard cost \$19,371,800
 per gross foot \$217.672
 units 200
 sq ft 300
 commercial sq ft 7672

Fenton Proforma

COST

\$4,000,000 Land assume
 \$19,371,800 Hard
 35% \$6,780,130 Soft
\$30,151,930 TDC
 70% \$21,106,351 Loan
 30% \$9,045,579 equity
 \$4,000,000 land portion
 \$5,045,579 actual Equity
 4.50% **-\$106,943**
-\$1,283,313 yearly debt service

INCOME

number units	rent	total per month	per year
184	\$1,450	\$266,800	\$3,201,600 studios
8	\$2,600	\$20,800	\$249,600 2 beds
8	\$3,500	\$28,000	\$336,000 penthouses
7672 sq ft @	per yr	\$20.00	\$153,440 commercial income
			\$3,940,640 GSI
			5% \$197,032 vacancy loss
			\$3,743,608 EGI
			35% \$1,379,224 operation
			\$2,364,384 NOI
			\$1,081,071 yearly cash flow before taxes
			11.95% cash on cash
			21.43% actual cash on cash (no land)
			5% cap rate
			\$47,287,680 cap value
			56.83% \$17,135,750 margin on cost

Comparable Project

Abpopa Hillcrest

length 125'
 height 65'
 stories 6
 gross sq. ft. 15000
 hard cost \$2,525,000
 per gross foot \$217.672
 units 24
 sq ft 300
 commercial sq ft 1000

Fenton Ribbon Building

length 959'
 height 60'
 stories 6
 gross sq. ft. 115080
 hard cost \$19,371,800
 per gross foot \$217.672
 units 200
 sq ft 300
 commercial sq ft 7672

Fenton Proforma

COST

\$4,000,000 Land assume
 \$19,371,800 Hard
 130 cars Add two level \$6,938,478.46 parking garage
 35% \$6,780,130 Soft
\$37,090,408 TDC
 70% \$25,963,286 Loan
 30% \$11,127,123 equity
 \$4,000,000 land portion
 \$7,127,123 actual Equity
 4.50% **-\$131,552** monthly 30 year
-\$1,578,626 yearly debt service

INCOME

number units	rent	total per month	per year
184	\$1,450	\$266,800	\$3,201,600 studios
8	\$2,600	\$20,800	\$249,600 2 beds
8	\$3,500	\$28,000	\$336,000 penthouses
7672 sq ft @	per yr	\$20.00	\$153,440 commercial income
			\$3,940,640 GSI
			5% \$197,032 vacancy loss
			\$3,743,608 EGI
			35% \$1,379,224 operation
			\$2,364,384 NOI
			\$785,758 yearly cash flow before taxes
			7.06% cash on cash
			11.02% actual cash on cash (no land)
			5% cap rate
			\$47,287,680 cap value
			27.49% \$10,197,272 margin on cost



Pencil Towers

Pencil housing towers would not normally be considered a vehicle to affordability. The floor plate sizes are not the most efficient because stairs and elevators take a larger than normal percentage of the square footage per floor. In general towers are expensive buildings even when floors are more typical in size.

We imagine the viability of these towers to be a second phase opportunity that continues the concept of maintaining the light industrial use, when the market allows. Their small floor plates fit between the existing buildings. Their fiscal advantage would be the same as the Ribbons Buildings where land costs associated with the development are negligible.

Our initial proformas indicates that these buildings might be viable sooner than we initially imagined.

In the proforma, we apply higher rents that may be possible from these view towers even today. In addition the proforma tightens soft costs as a percentage of hard and reduces operation as a percentage of GSI. Much of this fine-tuning would require additional study. However we believe additional study is warranted.

Certainly, and particularly on the Bosa property where the existing parking lots serving the educational and county facilities allow more flexibility than the industrial parks, the need for small floor plates is not necessarily an advantage and more traditional sizes will most likely prove better financially.

As in the Pencil Buildings this proforma includes an assumed land cost although there is in fact none. We do this to decrease the equity required and improve the returns on investment. Certainly the sophisticated developers operating these properties will apply additional financial strategies involving probable refinancing that will add to the basic feasibility of the buildings themselves.

Cost

LAND		\$ 2,000,000
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HARD

119 Unit shells		\$ 4,758,852
76 Street Elevation Shells (316sf)		\$ 2,466,314
355 SF Concrete Walls	\$ 35	\$ 12,425
304 SF Concrete Floor/Ceiling	\$ 37.5	\$ 11,400
108 SF Storefront Glazing	\$ 68.0	\$ 7,344
150 SF party walls	\$ 8.55	\$ 1,283
total shell		\$ 32,452
37 Rear Elevation Shells (450sf)		\$ 1,659,968
433 SF Concrete Walls	\$ 35	\$ 15,155
452 SF Concrete Floor/Ceiling	\$ 37.5	\$ 16,950
165 SF Storefront Glazing	\$ 68.0	\$ 11,220
180 SF party walls	\$ 8.55	\$ 1,539
total shell		\$ 44,864
6 penthouses (700sf)		\$ 469,755
1211 SF Concrete Walls	\$ 35	\$ 42,385
373 SF Concrete Floor/Ceiling	\$ 37.5	\$ 13,988
250 SF Storefront Glazing	\$ 68.0	\$ 17,000
150 Loft widget	\$ 24.3	\$ 3,638
150 SF party walls	\$ 8.55	\$ 1,283
total shell		\$ 78,293
1 commercial space 1500sf		\$ 162,815
2559 SF Concrete Walls	\$ 35	\$ 89,565
1500 SF Concrete Floor/Ceiling	\$ 37.5	\$ 56,250
250 SF Storefront Glazing	\$ 68.0	\$ 17,000
0 Loft widget	\$ 24.3	\$ -
0 SF exterior wall STUCCO	\$ 16.75	\$ -
		\$ 162,815
1 1 level detached parking garage		\$ 4,827,801

119 Widgets		\$ 3,974,935.05
--------------------	--	------------------------

electrical	\$	8,746	
plumbing	\$	10,780	
cabinets/casework	\$	2,500	
tile	\$	360	
countertops	\$	736	
appliances	\$	3,500	
window treatments	\$	750	
Kitchen Sinks	\$	450	
Bath Fans	\$	200	
Kitchen Hood Vent	\$	240	
hvac	\$	3,700	
doors	\$	1,092	
pocket door	\$	350	
total widget	\$	33,403	continued

59000 Fire Sprinklers and alarms	\$ 6.92	\$ 408,280	continued
20 temp elevator Per floor	\$ 18,500.00	\$ 370,000.00	
20 Elevator Per floor	\$ 47,500	\$ 1,900,000	
20 Steel stairs Per floor	\$ 18,938.33	\$ 378,767	
15318 SF Stair Concrete Shell	\$ 35.00	\$ 536,130	
Footings and structural columns	\$	\$ 2,500,000	
Offsites	\$	\$ 55,350	
Total Subcontracts	\$	\$ 19,710,114	
9.00% General Contractor	\$	\$ 1,773,910	
24 Super	\$ 5,000.00	\$ 120,000	
4.13% General Conditions from Abpopa	\$	\$ 814,028	
cost per gross square foot	\$ 379.97	\$ 22,418,052	Total hard

SOFT

30% of Hard \$ 6,725,416

			\$ 29,143,468	TDC
Loan	Loan	70%	\$ 20,400,428	
	Equity	30%	\$ 8,743,040	
	land portion		\$ -	
	actual equity		\$ 8,743,040	

Building statistic	floor plate	Floors	
Gross Sqft	2950	20	59000
Net Sqft	2102	20	42040

INCOME

Rent Roll		yearly	
12	\$ 1,650 lower floors studios street elev.	\$ 237,600	
64	\$ 1,750 upper floors studios	\$ 1,344,000	
37	\$ 1,900 view elevation studio	\$ 843,600	
6	\$ 3,500 penthouse	\$ 252,000	
119	units	\$ 2,677,200	GSI total apartments
	\$ 25.00 per ft per year	1500 \$ 37,500	commercial
		\$ 2,714,700	Gross Scheduled Yearly Income tota

5% vacancy loss	\$ 135,735	Vacancy Loss
	\$ 2,578,965	Effective Gross Income
30% operation costs	\$ 814,410	Operation Costs
	\$ 1,764,555	Net Operating Income
3.75% loan interest rate	-\$ 94,478	debt service monthly
	-\$ 1,133,730.74	Debt service yearly
	\$ 630,824	Income before taxes
	7.22%	cash on cash including land
	7.22%	actual cash on cash
4.50% Cap Rate	\$ 39,212,333	Cap value
	\$ 10,068,865	Margin on Cost
	134.55%	percentage margin on cost

SOFT

30% of Hard \$ 6,725,416

		\$ 29,143,468	TDC
Loan	Loan	70% \$	20,400,428
	Equity	30% \$	8,743,040
	land portion	\$	-
	actual equity	\$	8,743,040

Building statistic	floor plate	Floors	
	Gross Sqft	2950	59000
	Net Sqft	2102	42040

INCOME

Rent Roll		yearly
12 \$	1,650 lower floors studios street elev.	\$ 237,600
64 \$	1,750 upper floors studios	\$ 1,344,000
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	-\$	1,133,730.74	Debt service yearly
	\$	630,824	Income before taxes
			7.22% cash on cash including land
			7.22% actual cash on cash
4.50% Cap Rate	\$	39,212,333	Cap value
	\$	10,068,865	Margin on Cost
			134.55% percentage margin on cost



Buffer Buildings

The buffer prototypes are intended to stabilize eroding edges between the parking lots and maintenance facilities serving the Mile of Cars and the adjacent single-family neighborhoods. The auto dealerships provide the real estate at the rear of their lots for these buildings. Either they build and keep the project or they sell the rear portion of their lots.

Stabilizing the eroding edge solves a problem for the auto dealers hoping to maintain non-conforming parking lots. Because the adjacent residential street is mirrored, there is no longer an unresolved encroachment into the residential neighborhood. The parking lot is saved for the dealer and the adjacent residential property owner is no longer impacted. The feeling of uncertainty that diminishes adjacent property values is removed.

The project we present for this financial feasibility study is six-four unit buildings . The proforma attached considers the buildings as a 24-unit apartment broken into six “houses”. The houses are 1789 square feet each in two stories, and the buildings match the scale of the houses on the East side of the street. The building we considered uses both floors as units and orients the spaces to the East away from the Mile of Cars parking Lots. There are courtyards and terraces between the houses. The street would be widened 10 feet to allow for diagonal parking.

Alternative schemes might use the ground floor as a garage usable from the dealer shipside as illustrated in the earlier renderings, or perhaps the ground floor could contain a garage that opens from the residential street side serving the house.

The project also works as six four units apartments for sale, where a buyer could finance with an FHA loan, live in a unit, and rent three out.

Building	DESCRIPTION			INCOME	
	width	length	height	square feet	monthly
A	26	21	9.5 main	546	\$1,550
B	16	21	9.5 main room	336	\$1,550
	7	9	Bath and closet	63	
			court yard	90	
			399	489	
C	16	20	16 main room	320	\$1,700
			Bath and closet	60	
			loft bed	100	
	15	9	terrace	135	
			480	615	
D	12	17	16	204	\$1,675
			Bath and closet	60	
			loft bed	100	
			364		
building sq ft				1789	\$6,475 monthly

\$77,700 yearly

6 buildings yearly six buildings **\$466,200** GSI

5% \$23,310 vacancy loss

 \$442,890 AGI

25% \$116,550

\$326,340 NOI

\$148,800 yearly debt service

\$177,540 cash flow yearly

15.95% cash on cash

5% cap rate

\$6,526,800 cap value

\$2,816,348 margin on cost

75.90%

COST

\$450,000 land

\$225 cost \$2,415,150 Hard

35% \$845,303 soft

\$3,710,453 TDC

\$2,597,317 70% loan

\$1,113,136 equity

4% **\$12,400** mo

\$148,800 yearly

6- 4 unit Apartment Building for Sale

Date

	Description	Net SF	Qty.		\$/sf	Sales Price
Building 1	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
Building 2	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
Building 3	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
Building 4	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
Building 5	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
Building 6	4 studios	1,789.00	1	\$	384.00	\$ 686,976.00
		10,734.00				
TOTAL BUILDING COUNT			6		4 unit buildings	\$ 4,121,856.00

LAND SF	300.00	60.00	\$30.00	\$540,000.00	18,000.00
FAR			per foot		0.60
LAND ACRES					0.41
Density (Units Per Buildable Acre)					58

PROJECT REVENUE

					<u>Total</u>
Total Gross Sales Revenue				\$	4,121,856.00
Less: Agent Fees	5.00%	Avg. Comm.		\$	206,092.80
Less: Conveyancing	1.00%	Title/Escrow		\$	41,218.56
Net Residential Revenue				\$	3,874,544.64

PROJECT COSTS

					<u>Total</u>
<u>LAND COSTS</u>					
Acquisition					\$540,000.00
<u>HARD COSTS</u>					
houses		\$188.00		\$ 336,332.00	\$ 2,017,992.00
garage included					
Hard Cost Contingency	7.5%			\$	151,349.40
Subtotal Hard Costs				\$	2,169,341.40
<u>SOFT COSTS</u>					
Architecture	7.0%			\$	151,853.90
Model				\$	15,000.00
Prints				\$	7,500.00
Structural Engineer	1.50%			\$	32,540.12
Civil Engineer				\$	35,000.00
Survey				\$	5,000.00
Soils Report				\$	1,400.00
Phase I Report				\$	2,400.00
Phase II Report (Earthquake Trench)				\$	10,000.00
Landscape Architect				\$	20,000.00

Title 24/Mechanical	\$400		\$	2,400.00
Acoustical Report			\$	2,500.00
Subtotal Consultant Costs	13.2%	of hard costs	\$	285,594.02
Property Taxes	1.21%	2.00	\$	13,068.00
LLC/LP Filing Fees & Taxes			\$	3,200.00
Appraisal			\$	5,000.00
Bookkeeping/Accounting			\$	5,000.00
Legal / Other Services			\$	35,000.00
Sewer/Water Fees Estimated	\$ 10,000.00	per unit	\$	40,000.00
Marketing	1%			\$21,693
Insurance			\$	50,000.00
Development Fees	3.0%		\$	65,080.24
Affordable Housing In-Lieu Fee	\$4.98		\$	-
Permits and Fees	\$ 25,000.00		\$	150,000.00
Subdivision/Map Fees			\$	35,000.00
Fund Control			\$	15,000.00
Soft Cost Contingency	5.0%		\$	50,461.48
Subtotal Soft Costs	36%	of hard costs	\$	774,097.16

FINANCING COSTS

Construction Loan Interest	4.75%		\$	117,443.20
Loan Fees	1.0%		\$	20,604.07
Subtotal Financing Costs			\$	138,047.27

TOTAL DEVELOPMENT COSTS **\$ 3,367,079.85**

EQUITY/INVESTORS

Architect/Developer (50% of fees/model)	8.26%		\$	83,426.95
Investors	91.74%		\$	926,697.01
Total Equity Required	30%			\$1,010,124
Construction Loan	70%	Loan to Cost		\$2,356,956
Maximum LTV = 60%	#DIV/0!	Loan to Value		

Developer Returns

Total Cost Per Building		\$561,180
Total Cost Per Square Foot		\$313.68
Margin on Total Development Cost (Min. 15%)		15.1%
Margin On Gross Revenue (Min. 12%)		12.31%
Total Revenue		\$3,874,545
Less: Loan Amount		(\$2,356,956)
Less: Return of Equity		(\$1,010,124)
NET CASH FLOW		\$507,465
Loan-To-Cost		70%
Equity Investment		\$1,010,124
Return On Investment (ROI)		50%
Return On Investment Annual Basis (Per Year)		25%

Architect/Developer Profit Centers

Architecture Fees	7.0%	\$151,854
Model		\$15,000
Development Fee	3.0%	\$65,080
Construction Management	10%	\$195,241
Return on Equity	50%	\$41,912
Total Income Over 2 Years		\$469,087
Income Per Year Avg.		\$234,543
Income 1st Year		\$83,427
Income 2nd Year		\$260,321
Income at Project Close		\$125,339

Targeted Infill Buildings, Adaptive Reuse

In National City there are many well-located parcels that could add density and enliven the neighborhood experience. However, small-scale developments in the five to seven thousand square foot ranges are always difficult to park. The ground floors become garages and staircases at the expense of commercial uses and pedestrian street activity.

We have not prepared proformas for these buildings since they can vary so much. Certainly three or four story wood frame building will perform with out ground floor parking. These projects may depend on increased mobility alone. More likely they will come later when community garages have been constructed. Many small infill buildings will be particular business occupancies that may determine on site parking is not needed. Determining financial feasibility for these buildings has more to do with the business than the building itself.

Accessory Dwelling Units

Perhaps the single most beneficial legislations in decades are the new ADU ordinances. A slight densification in the ultimate suburban land use has so many benefits. High among them is affordable housing. However, appraised values of “duplexes” are most always less than their single-family neighbors. The impact of Granny Flats on property values is at this point not well established. Will the cost of a house in the neighborhood where they are constructed go up or down? There are so many factors involved. One is the existing value of houses in a particular neighborhood. Since the National City stock is older, Granny Flats will most likely increase home values where ADAs are added. The projects will be seen as new improvements, and we expect the construction on the property will result in improvements to the houses themselves. The owners of these houses will have extra income in the form of rent or saved rent somewhere else if an extended family can be housed. With new affluence neighborhoods will be improved.

These projects work exceptionally well for the owners of the houses whether they rent them out, or occupy them. In either of these cases, the development is similar to the industrial park Ribbon Buildings where the existing use is maintained, and in a way the land is “free”. ADUs work best for owners who bought their houses years earlier.

Still, the following proforma illustrates how a development might be possible other than by existing property owners. Although the 2000 square foot “four-plexes” provide a good investment return, Comparable sales of similar units demonstrating a margin on cost will be difficult to find in the near term.

COMPS

For sale Houses National City

		square feet	
8 bed	4 bath	3694	\$950,000 344 E 27th street 8* unit senior shared housing.
3 bed	2 bath	1100	\$468,000 1314 26th street lots of land for ADA
2 bed	3 bath	901	\$499,999 316 E 31st
3 bed	2 bath	1118	\$519,000 618 E Division St
3 bed	2 bath	1439	\$470,000 134 Palm Ave
2 bed	2 bath	1104	\$435,000 1420 E 4th St.
5 bed	3 bath	2032	\$570,570 809 N Ave
5 bed	3 bath	2032	auction 1408 E 8th St

DEVELOPMENT PROJECT

Buy a house

A 2 bed	2 bath	1100	\$450,000 Purchase price	
B add a granny flat studio		300	\$67,500 Hard	
	\$225.00 perfoot		\$23,625 soft	35% Hard
C add a second granny flat		300	\$67,500 Hard	
			\$23,625 soft	
D add a third Granny flat		300	\$67,500 Hard	
			\$23,625 soft	
			\$723,375 TDC	
			\$130,208 equity	
Income			\$593,168 loan	

Build with FHA or VA lending

82% LTC	FHA	\$148,292 per 4 unit lending limit
4.50%	30 year	-\$3,005 monthly
		\$36,066 yearly

income

A 2 bed room house		\$1,700 monthly
B studio with courtyard		\$1,500 monthly
C studio with courtyard		\$1,500 monthly
D studio with courtyard		\$1,500 monthly
		\$6,200 monthly GSI
	5%	\$310 monthly vacancy loss
		\$5,890 monthly AGI
owner operation	20%	\$1,240 operation
		\$4,650 monthly NOI
		\$55,800 Yearly NOI
		\$19,734 Yearly margin
Value by comps		15.16% cash on cash
ADA comps not available see comp above		
8 bed 4 bath		\$950,000 comp above is Senior shared housing
5 bed room 5 bath		less
IF cap rate was used	6.5%	\$858,462 perhaps

Middle Density Development Models

This fiscal study does not consider more typical developments that are well understood by the building industry. This includes middle density housing projects that should be considered on the larger buffer properties. It is also difficult to think of middle density housing projects as prototypical. Preparing a proforma for one is not so much about the building as it is about normal industry construction costs and most importantly the market potential.

Demographics and Market Analysis

The above proformas imagine a rounded demographic. Certainly the available data points to specific markets. We do not differentiate between unit types in our feasibility studies. For example, in the Ribbon Buildings we imagine all possible configurations from micro lofts to multi suite shared housing types, and all places in between. The proformas count suites, which are similar to master bedrooms size spaces including a bathroom that could function as a kitchen with slight reconfiguration or addition.

These suites can be combined in different ways to make one and two bedroom units as well as multi bedroom shared housing possibilities that fit our target market. Larger units rent for less per foot but they build for a smaller if not fully offsetting amount, and to the degree considered here can be considered similar.

THE MILITARY

48,000 military and civilians currently work at Naval Base San Diego, just 7 minutes from the project site. The Naval Base is scheduled to expand by 15,000 service members over the next 7 years. Already struggling to house their service members, the Navy has responded by increasing the basic allowance for housing (BAH). The starting BAH for a single service member is \$2,271 per month or approximately \$766 more than the projected rent for average studio at 8th & B.*

SINGLE MILLENNIAL WORKFORCE MEMBERS

There is more than enough housing demand from the military, but the project benefits from a diversified demographic. Millennial workforce members have been priced out of the downtown housing market and are forced into a roommate living situation. There is high demand for single occupancy units. This project aims to fill the gap for this demographic and leverage the "rent vs. own" preference by offering a furnished "move in with only a suitcase" housing option.

MILLENNIAL COUPLES / FAMILIES / OTHERS

Across all demographic groups, people are increasingly expressing interest in a more urban, walk able lifestyle – something in between the high energy of a downtown city center and a bedroom community.

Empty nesters may not want to trade their familiar community for high-rise living, but would like to shed the burden of home ownership and be able to walk to restaurants and services.

Millennials may be priced out of the downtown San Diego market, or just looking for a more authentic neighborhood experience. Thousands of people commute from Chula Vista, with an over-supply of housing relative to jobs, to employment centers to the north. Choosing to live in National City would reduce time spent in traffic, a quality of life benefit.

By Phillip Molnar | October 5, 2017 <http://www.sandiegouniontribune.com/business/real-estate/sd-fi-rent-all-time-high-20171005-story.html>

Average rent in San Diego County hit a record high of \$1,875 last month, continuing more than six years of rising rents in a tight housing market. Rent has increased 7.59 percent in a year, said Market Pointe Realty Advisors, which has tracked the San Diego market since 1988. While that is down from an 8.4 percent increase at the same time last year, the latest jump still outpaced home price increases and expected income growth. “The biggest upward pressure we’ve seen in rent has been over the last two years,” said Russ Valone, CEO of MarketPointe. “It has been significant increases.” A slowdown in new apartment construction, dropping considerably during the recession, is one factor driving up rents. As construction has slowed, demand has increased. But when developers do build, they are constructing luxury units that command high rents and push up the average. An increasing number of townhouse rentals have also raised the average, Market Pointe said. So far this year, 861 new apartments have come on the market, an increase from 756 total last year. Compare that to the early 2000s when builders were delivering more than 2,000 apartments a year. Evan Morris, a real estate agent who manages a portfolio of 200 rental properties across San Diego, said he had just one unit available Thursday. The single-family home in Talmadge, for \$2,295 a month, went on the market Wednesday and had two potential renters trying to get in by Thursday. “Vacancy has practically been zero since 2012,” he said. Competition for apartments in San Diego County led to a 2.73 percent vacancy rate in September, up from 2.25 percent in March. The average vacancy rate has been 3.15 percent since 2000. It hit a record low of 0.51 percent in 1998 and a high of 7.86 in 1988. During the recession, the highest vacancy rate was 5.26 percent in March 2009.

Where are all the studios?

The price of studios had gone up 11.4 percent in a year as of September, the most of any unit size. So, why aren’t builders coming out with tons of studios? First off, the data can be a bit deceiving. Valone said new one-bedroom apartments are getting smaller, more efficient and taking the place of what might have been studios. The average size of a one-bedroom in the county is now 705 square-feet, down from roughly 800 square-feet from 2010 to 2016. Second, builders prefer two-bedrooms for a lot of reasons, including demand. For couples, they enjoy the bigger units because it can mean a second bedroom for a child, an office for working from home or a guest room. Also, he said two-bedroom apartments tend to fill up with friends saving money by living together when the economy goes south. “It gives the builder or owner a hedge against a down market,” Valone said. Average rent for a studio was \$1,529 a month in September, a large jump from \$1,372 in March, but still noticeably cheaper than most apartments. Average rent for a one bedroom was \$1,640; two-bedroom, \$1,972; three-bedroom, \$2,399; and a four-bedroom was \$3,069 a month. Market Pointe’s report includes 131,600 apartments, and covers mostly complexes that have 25 or more units.

BBG, Inc. National City

Access

Access to the National City is considered good, as two of the county's major interstate freeways run through its city limits, as well as one state route.

- Interstate 5 is a north/south freeway that runs along the western portion of National City.
- Interstate 805 is a north/south freeway that runs along the eastern portion of the city.
- State Route 54 is an east/west freeway that runs along the southern limits of the city.

There is very little of the city that is further than one mile to one of these major freeways. This keeps the area relatively free of congestion. National City was voted the most walkable city within San Diego County. This is in part based on the city's policies and infrastructure that makes walking places conducive for the residents. It is also based on the number of people who utilize mass transit. The city is served by both buses and the trolley of the San Diego Metropolitan Transit System (SD MTS).

An essential element in the long-range transportation solution for San Diego County has been the completion of the San Diego trolley system. The trolley is a light rail transit system that connects Downtown San Diego to Mid-City areas, East County (Lemon Grove, La Mesa, El Cajon, Santee) as well as the South Bay (National City, Chula Vista, San Ysidro). The "South Line" now commonly the "Blue Line" has been serving National City since 1981. The city has benefited greatly from this improvement to public transportation.

Lindbergh Field, San Diego County's International airport, is approximately 7 miles north of National City in the city of San Diego. Many residents of the South Bay also utilize the airport in Tijuana-Mexico, "International Airport". Additionally, there is Brown Field, which is southeast of the city, is the local general aviation facility.

Land Uses

Commercial development in National City includes a variety of retail and commercial space, as well as a major industrial hub. The main focus of commercial development and related business activity is in the downtown area in the vicinity of National City Boulevard, Highland Avenue, Sweetwater Road and E. Plaza Boulevard. These roadways are improved with a variety of commercial space, each of which caters well to the surrounding residential population, and businesses. National City is also home to the National City mile of cars, home to 21 car dealerships. The area is also surrounded by a variety of symbiotic businesses who thrive off the traffic generated.

Additionally, the city contains more than 865 acres of industrially zoned land. This large concentration of industrial land in close proximity to the city of San Diego as well as Mexico vaulted National City to one of the more desirable locations for industrial use tenants. As such, vacancy rates for this product have traditionally been some of the lowest in the market.

Chula Vista Bayfront Redevelopment

National City is located in close proximity to the city of Chula Vista and the greater Bayfront property currently being redeveloped. The Chula Vista Bayfront Master Plan (CVBMP) is a joint master planning process of the Port of San Diego, the City of Chula Vista, and Pacifica Companies. The purpose of the project is to develop a master plan that transforms the Chula Vista waterfront into a world-class destination for local residents and visitors. The 500-plus-acre CVBMP is one of the last great development opportunities to create a legacy destination for the public on San Diego Bay. When complete, the 200 acres will consist of parks and open space, a shoreline promenade, walking trails, RV camping, shopping, dining and more. While providing long-awaited, enhanced shoreline recreation and an active, commercial harbor in the South Bay, the Chula Vista Bayfront project will also establish ecological buffers to protect wildlife habitat, species and other coastal resources.