



CEQA and COASTAL DETERMINATIONS and NOTICE OF APPROVAL

Project: Remodel for the Rustic Restaurant adjacent to Embarcadero Marina Park South
Location: 525 E Harbor Drive, San Diego, CA 92101
Parcel No.: 019-014
Project No.: 2025-011
Applicant: Joshua Sepkowitz, Manager, FR San Diego, LLC, 2929 Carlisle Street, Suite 200, Texas 75204; 214-443-1946
Date Approved: 10/24/2025

PROJECT DESCRIPTION

The proposed project would be to remodel the former Joe's Crab Shack adjacent to Embarcadero Marina Park South (EMPS) (Site) by FR San Diego, LLC (Applicant) in the city of San Diego, California to allow for the operation and maintenance of a new restaurant named The Rustic. The proposed project would involve an interior remodel of the existing restaurant building and some exterior alterations that would not change the general dimensions and structural framing of the existing building.

The existing building, which was originally the San Diego Rowing Club Boathouse (Boathouse), is a designated historical resource listed on the National Register of Historic Places and California Register of Historical Resources. The Boathouse has been used as a restaurant for approximately 41 years and the proposed project would continue its use as a restaurant and include a small, interior elevated live music platform. The proposed project has been designed to preserve the historical character-defining features (CDF) of the Boathouse.

Work to complete the proposed project would involve the following:

Interior

- Demolition of select non-original internal partition walls, bar, doors, windows, restroom fixtures, kitchen equipment, lighting, and signage
- Installation of new non-structural interior partitions, interior finishes, windows, ceilings, lighting, seating, kitchen equipment, interior elevated live music platform, and associated equipment
- Installation of new mechanical, electrical and plumbing systems

Exterior

- Demolition of exterior illuminated "Joe's Crab Shack" signage atop the building and around the Site
- Paint the exterior of the building a new color
- Replacement of existing roof materials (like-for-like in size and structure), exterior fenestration (in formerly altered areas), and non-historic windows and doors
- Installation of new firepit in outdoor patio
- Installation of new lighting, trellis passageway and illuminated signs
- Two new illuminated "The Rustic" signs (one (1) northwest-facing and one (1) southwest-facing sign)
- All exterior lighting and illuminated signage to be 2700 Kelvin and under
- All exterior lighting to be directed down and/or shielded from shining directly into the bay or sky

The proposed project would utilize the existing stormwater and drainage system at the Site. No structural, parking lot, infrastructure or offsite improvements would be part of the proposed project. There are also no noise impacts associated with operation and construction of the proposed project. Additionally, there would be no changes to the existing seat count and number of parking spaces onsite (approximately 200 seats, approximately 75 bar seats, and approximately 56 parking spaces) and no traffic or parking impacts as a result.

Equipment required for construction would consist of light machinery suitable for remodeling work. Construction of the proposed project is anticipated to commence in late 2026 and take approximately seven (7) months to complete with ongoing maintenance as needed. Construction would occur Monday-Friday in accordance with the City of San Diego's Municipal Code Section 59.5.0404. All construction parking and staging would occur in the existing parking lot on the Site, which would not impact general public parking because the existing lot is exclusively for restaurant use. When necessary for safety reasons, pedestrian access to the promenade on the Site would be temporarily blocked off and rerouted, with signage being posted to safely reroute pedestrians. Once the proposed project is constructed, the existing walkway on the northwest perimeter of the Boathouse shall remain available for general public access during business hours. The Rustic shall not host live music performances during events with paid admission or during private rental events (e.g., private functions) at the Rady Shell and shall not hold ticketed events at the premises on any day when there is a Rady Shell Event. Under no circumstances shall The Rustic hold ticketed events at the premises more than 12 times per calendar year.

The proposed project would involve a new lease to FR San Diego (Applicant) for a lease term of approximately 15 years with two (2), five-year options to extend for a total potential lease term of up to approximately 25 years.

Due to its nature and limited scope, construction of the proposed project would generate a minor amount of vehicle trips and would require limited use of equipment. Therefore, impacts related to air quality, greenhouse gas emissions, transportation and traffic are not anticipated to occur. In addition, the project would conform with the Secretary of the Interior's Standards for Rehabilitation and would not materially impair existing CDFs of the historic Boathouse. Furthermore, the Applicant would be responsible for complying with all applicable federal, state, and local laws regarding construction demolition debris, hazards and hazardous materials, and stormwater.

The following categorical determinations are based on the project submittal and all project information known to the District as of the date of this determination.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

CATEGORICAL DETERMINATION

Categorical Exemptions: CEQA Guidelines Section 15301 (Class 1)/District Guidelines for Compliance with CEQA Section 3.a: Existing Facilities and CEQA Guidelines Section 15302 (Class 2)/District Guidelines for Compliance with CEQA Section 3.b: Replacement or Reconstruction

3.a. Existing Facilities: Includes operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that previously existing, including but not limited to:

- (3) Interior and exterior remodeling or alterations, involving negligible or no expansion of use beyond that previously existing, including, but not limited to, marine terminal facilities, and marine-oriented commercial, industrial, and public and commercial recreational facilities, including buildings, piers, wharves, marine ways; railroads; airport facilities, runways, taxiways, aprons, and ancillary structures to those facilities; or mechanical systems and equipment.

AND/OR

3.b. Replacement or Reconstruction: Includes replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site and will have substantially the same purpose and capacity as the structure being replaced.

The proposed project is determined to be Categorically Exempt pursuant to the CEQA Guidelines and the Sections of the District's *Guidelines for Compliance with CEQA* as identified above. These are appropriate for the proposed project because it would consist of the remodeling of an existing building for the continued use as a restaurant and would involve negligible expansion of use beyond that

previously existing, would not result in a significant cumulative impact due to the continuation of the existing use, would consist of the replacement of existing facilities, would be located on the same site as the structure replaced, and would have substantially the same purpose and capacity.

The Boathouse is a designated historical resource listed on the National Register of Historic Places and California Register of Historical Resources. The proposed project would not result in a substantial material change that would detract from the eligibility of the historical resource. In addition, the identified CDF of the Boathouse would be retained because alterations would occur only in areas that were previously altered, and the new modifications or new construction would be compatible with the historic character of the Boathouse in conformance with the Secretary of the Interior's (SOI) Standards. The District has determined that there would not be a significant impact to the historic resource because the proposed project would not materially impair existing CDF's, is in compliance with SOI Standards, and would retain the integrity and eligibility of the Boathouse as a historic resource.

In addition, the proposed project is not located in an area where the project may impact an environmental resource of hazardous or critical concern, along designated state scenic highways, and/or in a designated hazardous waste site pursuant to Government Code Section 65962.5. In addition, the proposed project would not result in a significant impact on the environment due to unusual circumstances and would not result in a cumulative impact due to the continuation of the existing use. Therefore, the District has determined none of the six exceptions to the use of a categorical exemption apply to this project (CEQA Guidelines Section 15300.2).

Pursuant to CEQA Guidelines Section 15062, a 35-day statute of limitations for this CEQA exemption shall apply from the date a Notice of Exemption is posted with the San Diego County Clerk, or a 180-day statute of limitations for this CEQA exemption shall apply if no Notice of Exemption is filed.

CALIFORNIA COASTAL ACT

PORT MASTER PLAN CONSISTENCY

Planning District: 3 - Centre City Embarcadero (Precise Plan Figure 11)

Land and Water Use Designations: Commercial Recreation and Ship Navigation Corridor

The proposed project conforms to the certified Port Master Plan because it would involve the remodeling of an existing building for the continued use as a restaurant consistent with the existing certified Land Use designation. The proposed project would not change the use of the site nor would it interrupt or expand the existing conforming uses of the site.

CATEGORICAL DETERMINATION

Categorical Exclusions: Section 8.a: Existing Facilities and Section 8.b: Replacement or Reconstruction

8.a. Existing Facilities: The operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that previously existing, including but not limited to:

(12) Interior and exterior remodeling of airport facilities, marine terminal facilities, existing marine-oriented industrial structures, and commercial or recreational facilities

AND/OR

8.b. Replacement or Reconstruction: Replacement or reconstruction of existing structures and facilities where the new structure will be located essentially on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced.

The proposed project is determined to be Categorically Excluded pursuant to the Sections of the District's *Coastal Development Permit Regulations* as identified above because the proposed project would involve the remodeling of an existing building for the continued use as a restaurant which would involve negligible expansion of use beyond that previously existing, would be located essentially on the same site as the structure replaced and would have substantially the same purpose and capacity as the structure replaced.

Pursuant to California Coastal Act Section 30717, there is a 10-working-day period to appeal this "Coastal Act Categorical Determination of Exclusion" to the California Coastal Commission.

CALIFORNIA PUBLIC TRUST DOCTRINE

The proposed project complies with Section 87.(a)(2) of the Port Act, which allows for all visitor-serving commercial and industrial uses and purposes, and the construction, reconstruction, repair, and maintenance of commercial and industrial buildings, plants, and facilities. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed project is consistent with the Public Trust Doctrine.

Scott Chadwick
President/CEO

Determination by:
Justin Huitema
Planner I
Development Services

Signature: Justin Huitema
Date: 10/24/2025

Assistant/Deputy General Counsel

Signature: Rebecca Harrington
Date: 10/24/2025