



**CEQA and COASTAL DETERMINATIONS  
and  
NOTICE OF APPROVAL**

Project: Lease Amendment to CP Kelco, U.S., Inc.  
Location: 2145 East Belt Street, San Diego, CA, 92113  
Parcel No.: 021-010  
Project No.: 2025-053  
Applicant: Marco Verduzco, Plant Manager, CP Kelco, 2025 East Harbor Drive, San Diego, CA 92113  
Date Approved: May 6, 2025

**PROJECT DESCRIPTION**

The proposed project includes a lease amendment (Project) of the existing lease agreement between the San Diego Unified Port District (District) and CP Kelco U.S., Inc. (Tenant) to extend the term of the lease up to 2029 with an option to extend to 2031. The proposed Project would also include provisions to improve environmental conditions at the project site, including air and water quality, as well as the replacement and improvement of existing infrastructure to improve environmental and operational efficiency for the equipment at the project site. The following are the proposed improvements to be implemented over the term of the lease:

- Emissions reductions: commitment to a 15% reduction of nitrogen oxide (NOx) emissions, to be achieved by replacement of propane forklifts with electric forklifts, implementation of a trash haul optimization program to reduce haul times and increase compaction of trash, replacement of all fleet vehicles at the Project site to electric vehicles, and conversion of all diesel-powered equipment and vessels to equipment and vessels utilized Tier 4 certified engines or greater;
- Refurbishment of existing saltwater intake and distribution system: replacement or partial replacement of existing system to ensure it meets regulatory requirements and environmental standards; and
- Warehouse availability: provision of up to approximately 17,840 square feet of existing warehouse space at the Project site to the District to utilize the existing infrastructure to support coastal-dependent operations.

In addition, through the lease amendment, the Tenant would be required to complete a minimum of one Initial Capital Project. The Initial Capital Projects would contribute to overall emissions reductions and improve environmental and operational efficiency at the Project site. The selected Initial Capital Project(s) would require separate review for consistency with the California Environmental Quality Act and the California Coastal Act.

The Applicant would be responsible for compliance with all laws and regulations associated with the activities on or in connection with the above-described premises, and in all uses thereof, including those regulating stormwater and hazardous materials, as well as acquiring necessary permits from relevant resource agencies, such as the California Coastal Commission, Army Corps of Engineers, and Regional Water Quality Control Board, including the necessary real estate or access agreements, or coastal development permitting for the proposed project sites that are not within the District’s permitting or coastal jurisdiction.

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.

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**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

***CATEGORICAL DETERMINATION***

Categorical Exemptions: SG §15301, Class 1/Section 3.a: Existing Facilities; SG §15302, Class 2/Section 3.b: Replacement or Reconstruction; and SG §15303, Class 3/Section 3.c: New Construction or Conversion of Small Structures

- 3.a. Existing Facilities (SG § 15301) (Class 1): 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

AND/OR

- 3.b. Replacement or Reconstruction (SG § 15302) (Class 2): 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 Categorical 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 involve no expansion of use beyond that previously existing and would not result in a significant cumulative impact due to the continuation of the existing use, would consist of the replacement/reconstruction of an existing structure/facility, would be located on the same site as the structure replaced, and would have substantially the same purpose and capacity. 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: 4 - Tenth Avenue Marine Terminal (Precise Plan Figure 13)

Land and Water Use Designation: Marine Related Industrial and Specialized Berthing

The proposed project conforms to the certified Port Master Plan because it would involve a lease amendment to the existing Tenant for continued use of the site consistent with the existing certified Land and Water use designations. 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

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 Categorical Excluded pursuant to the Sections of the District's *Coastal Development Permit Regulations* as identified above. These are appropriate for the proposed project because it would involve negligible or no expansion of use beyond that previously existing and would be located essentially on the same site as the structure replaced and will 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:  
Lily Tsukayama  
Program Manager, Planning & Environment

Signature: Lily Tsukayama  
Date: 5/6/2025

Assistant/Deputy General Counsel

Signature: Shiraz Tangri  
Date: 5/6/2025