
Final Mitigated Negative Declaration Addendum No. 2

**HII San Diego Shipyard Inc.
Marginal Wharf Repair and
As-Needed Pile Replacement Project
UPD#MND2019013/SCH#2019011069**

FEBRUARY 2026

SAN DIEGO UNIFIED PORT DISTRICT

3165 Pacific Highway
San Diego, California 92101
Juliette Orozco, Principal Planner
858.294.1974



ADDENDUM No. 2

to

FINAL MITIGATED NEGATIVE DECLARATION

HII SAN DIEGO SHIPYARD INC.
MARGINAL WHARF REPAIR AND
AS-NEEDED PILE REPLACEMENT PROJECT

(SCH #2019011069)

for

COASTAL DEVELOPMENT PERMIT
SPECIAL PROVISION UPDATE ALLOWING
CONSTRUCTION DURING CALIFORNIA
LEAST TERN BREEDING SEASON

1.0 INTRODUCTION

The San Diego Unified Port District (Port District) adopted the Final Mitigated Negative Declaration (MND) (2019 Final MND) and approved the HII San Diego Shipyard Inc. Marginal Wharf Repair and As-Needed Pile Replacement Project¹ on April 9, 2019. The Port District subsequently adopted Addendum No. 1 for the Project on September 13, 2022. This Addendum No. 2 to the MND evaluates proposed changes necessitated by an amendment to the Coastal Development Permit associated with Addendum No. 1 to update provisions relating to construction during California least tern² (CLT) breeding season to align with the 2019 Final MND approvals from other permitting agencies in accordance with the California Environmental Quality Act (CEQA), including Public Resources Code Section 21166 and CEQA Guidelines Section 15162 to determine if further environmental analysis is required.

The HII San Diego Shipyard is now known as Continental Maritime of San Diego and will be referred to as “HII San Diego Shipyard” in this document for continuity with the 2019 Final MND and Addendum No. 1. The project being proposed currently (Current Project) would result in no additional or different development from what was analyzed in the 2019 Final MND and Addendum No. 1 but rather would allow for work to occur within the CLT breeding season, provided that biological monitoring and work cessation would occur, to align with requirements of other permitting agencies and the 2019 Final MND.

As the lead agency under CEQA, the Port District has determined that in accordance with CEQA Section 21166 and CEQA Guidelines Sections 15162 and 15164 that an Addendum to the 2019

¹ Unified Port District #MND-2019-013; State Clearinghouse #2019011069

² *Sterna antillarum brownii*

Final MND and Addendum No. 1 is required. This Addendum documents that the updated project information outlined in this Addendum No. 2 meets the conditions outlined in CEQA Guidelines Section 15164, which provide for CEQA compliance through the consideration of an addendum to a previously adopted environmental document.

Descriptions of the 2019 Final MND and Addendum No. 1 is provided in Section 2.1, "Previous Environmental Analyses," and a detailed description of the Current Project is provided in Section 2.2, "Current Project Description."

2.0 PROJECT DESCRIPTION

2.1 PREVIOUS ENVIRONMENTAL ANALYSIS

2019 Final MND Project Components, Purpose, and Need

HII San Diego Shipyard Inc., as the Applicant, repairs and maintains military and other seagoing vessels and its operations involve onshore construction equipment, support buildings, wharves, and piers. The piers, which run perpendicular to the shoreline, and associated marginal wharves, which run parallel to the shoreline, are made of wood, steel and concrete and are essential to the shipyard's operations. These facilities are inspected on a regular basis. Under the original project, inspections had determined that many of the piers, marginal wharves and/or support piles were in need of repair or replacement as they had been on the project site for over 60 years and were aged and/or deteriorated to the extent that they are at the end of their serviceable life. If these facilities were not replaced, berthed vessels could exert further stress on the piers, causing damage and safety issues for these structures as well as the surrounding environment.

The project analyzed in the 2019 Final MND included the following two project components:

Component 1 – Marginal Wharf Repair

Repairs at Marginal Wharves 2, 5 and 7, including reconfiguration and pile replacement. The improvements at each of the three wharves are further described below:

- (1) Wharf 2 – Demolish Pier 2 and replace the existing Wharf 2 in its current location to better serve on-going needs, including storage, mooring for security and facility maintenance operations, and for mooring smaller work vessels. The overall footprint of the new Wharf 2 was proposed to be approximately 10,800 SF, which would be larger than the existing 8,360 SF Wharf 2, resulting in the addition in overwater coverage of 2,170 SF. The new Wharf 2 would be reconfigured to maximize operational efficiency. The new configuration of Wharf 2 would extend 50 feet into the Bay and encompass 216 feet of the near-shore areas currently associated with both Piers 1 and 2 and would be within close proximity to Pier 4.
- (2) Wharf 5 – Replace the existing 109 piles at Wharf 5 with 30 concrete piles. Subsequently, the existing wooden deck would be replaced with 7,142 SF concrete deck, resulting in a reduction in overwater coverage of 4,416 SF. The restored wharf would extend 45 feet into the Bay and would span 160 feet along the quay wall.
- (3) Wharf 7 – Reconstruct Wharf 7 in the same location prior to its demolition by a storm and

remove the remaining damaged portions of Pier 7. Conceptual design assumed that the new Pier 7 and Wharf 7 would consist of 19,405 SF and 8,140 SF, respectively, which would be the same as the former Pier 7 and Wharf 7; thus, there would be no change in overwater coverage. The new Pier 7 and Wharf 7 would be constructed with concrete piles and concrete decking for use as a storage and staging area.

The project components analyzed in the 2019 Final MND resulted in an overall reduction in overwater coverage from the wharves of approximately 5,381 SF. Upon completion of the Marginal Wharf Repair component of the Original Project, the wharves were proposed to be utilized for storage and staging for U.S. Navy contracts, as well as mooring small work vessels. The Original Project would also facilitate streamlining operations by providing more staging and storage areas and would provide for greater safety by repairing or replacing the damaged and deteriorated piles and wharves. However, the Original Project would not result in an increase in operations; nor would it result in any additional employees, other than those needed during construction.

Component 2 – As-needed Pile Replacement

Component 2 of the Original Project included the as-needed pile replacement of all 1,304 piles that existed within the project site. The 1,304 piles would be replaced on an as-needed basis over four phases. The proposed as-needed pile replacement would involve removal of the existing 60-foot-long piles made of wood, concrete, and steel, and replacement with new concrete, plastic or steel fender piles. This would protect the existing piers, remove wood piles with hazardous chemicals from the Bay, and provide the ability to continue safely mooring vessels.

Construction of the Original Project was to be performed in phases. In total, the Original Project would remove up to 850 cylindrical wooden piles, 302 fender H-shaped-piles (H-piles), and 152 concrete piles. It would replace them with up to 717 H-piles, 300 fender H-piles, and 152 concrete piles. Based on the reduction in the number of piles and the types of piles to be used, as the shape of H-piles has a cross-sectional area that is open on the sides and smaller than cylindrical wooden piles, the Original Project would result in a decrease in the amount of fill at the project site, compared to the existing condition.

The 2019 Final MND anticipated that work would be able to take place during the CLT nesting (between April 1 and September 15) annually, as potential impacts to CLT were limited to disturbance during foraging, and not to nests or breeding behaviors. Impacts to CLT during foraging are mitigable to a less-than-significant level with implementation of Mitigation Measure BIO-1, which calls for biological monitoring and work cessation if CLT are observed to be present in the project site.

Addendum No. 1 Project Components, Purpose, and Need

Inspections conducted by the HII San Diego Shipyard have identified that the timber deck portions of Pier 4 and its marginal wharf (Wharf 4) had deteriorated to a point where they were in need of repair and maintenance. If the timber deck portions of Pier 4 and Wharf 4 were not repaired, berthed vessels could exert sufficient stress onto these structures to create damage and safety issues for both the structures and the surrounding environment. Further, portions of the existing concrete rubble quay wall along the facility were deteriorated and considered structurally insufficient to perform daily shipyard activities. Thus, it was deemed necessary to remove and replace a portion of Pier 4 and Wharf 4 and to structurally reinforce the existing quay wall to bring these structures up to new engineering standards that would protect the existing structures. These repairs would allow vessels to safely moor at the pier and improve the safety of daily operations.

In addition, inspections determined that Piers 1, 5 and 7, including their damaged decks and support piles had deteriorated to the extent that they are at the end of their serviceable life and would be removed.

To address the inspection findings, the Addendum No. 1 Project included the following three components in addition to the work proposed in the 2019 Final MND Project:

- (1) Structural Repair of the Existing Quay Wall
- (2) Removal and Improvement of Pier 4/Wharf 4 Deck
- (3) Removal of deteriorated Piers 1, 5 and 7

Addendum No. 1 anticipated that work would not take place between April 1 and September 15 annually to avoid the CLT nesting season.

2019 Final MND and Addendum No. 1 Location

The Original Project site was located on the eastern edge of San Diego Bay in the City of San Diego and was located on 27.3 acres at 1995 Bay Front Street, San Diego 92113. The Original Project site was leased by the HII San Diego Shipyard from the Port District and was located in the Belt Street Industrial Subarea of Planning District 4 (Tenth Avenue Marine Terminal) of the Port District's certified Port Master Plan (PMP). The land and water use designations for the site in the certified PMP included Marine Related Industrial and Specialized Berthing. The Original Project site was located beneath the San Diego-Coronado Bay bridge footprint and included the waterfront on both sides of the bridge.

The Addendum No. 1 Project proposed to conduct additional demolition, repair, and improvement of existing in-water facilities at the HII San Diego Shipyard's leasehold located at 1995 Bay Front Street, San Diego, California 92113. The Addendum No. 1 Project was located at the same 27.3-acre site as the 2019 Final MND Project.

2019 Final MND and Addendum No. 1 Environmental Setting

The Project site was in an industrial area on the waterfront of the northeastern side of San Diego Bay. Specialized Berthing, Marine Related Industrial, and other industrial uses surrounded the project site. Cesar Chavez Park was near the site to the northwest and Coronado Island was located to the west across the Bay.

HII San Diego Shipyard operated a ship repair facility that served military and commercial vessels. The Original Project site included both landside and waterside facilities. The landside portions of the project site included surface parking, office buildings, warehouses, outdoor storage areas, stormwater facilities, and other industrial buildings that were involved with repair and maintenance operations. The focus of the Original Project was the water-side portion of the site that included wharves and piers used to moor vessels undergoing repairs at the shipyard. Vessels serviced at this facility were tied off to support piers in berths prior to, during and after repair.

There were six support piers within the project site numbering 1 through 7 (herein referred to as Pier 1, Pier 2, Pier 4, Pier 5, Pier 6, Pier 7; there is no Pier 3) and four marginal wharves associated with Piers 2, 4, 5, and 7 (herein referred to as Wharf 2, Wharf 4, Wharf 5 and Wharf 7). Pier 3 had not been in existence for several decades. In-water operations primarily utilized two of the piers (Pier 4 and Pier 6) and one of the wharves (Wharf 4). The remaining water-side facilities were either not used or were underutilized for operations.

The Original Project site (HII San Diego Shipyard, Inc. leasehold) was subject to Investigative Order R9 -2017-0082 (Order) which was issued on August 4, 2017. The Order, issued by the Water Board, directed HII San Diego Shipyard, the City, and Caltrans to submit technical reports pertaining to an investigation of sediment chemistry in San Diego Bay located within the project site – the leasehold bounded on the southeastern side by the CP Kelco leasehold, the eastern side by the San Diego Bay shoreline, and the northwestern side by the Pacific Maritime Freight Leasehold.

2.2 CURRENT PROJECT DESCRIPTION

The Current Project would consist of the same development analyzed in the 2019 Final MND and Addendum No. 1, with no additional project components added or changes to construction methods, location, or scope. The only proposed change to the project would be to allow for construction to occur between April 1 and September 15 annually, which is within the breeding season of the federally-listed-as-endangered California least tern (*Sterna antillarum brownii*) (CLT), provided that biological monitoring and work cessation would occur in line with the 2019 Final MND Mitigation Measure BIO-1, and as originally contemplated in the 2019 Final MND. The change would also be reflected through an amendment to special provisions of the associated Coastal Development Permit. This update would bring Port District-issued permits into alignment with the 2019 Final MND and approvals issued by other permitting agencies, such as the U.S. Army Corps of Engineers.

3.0 DETERMINATION TO PREPARE AN ADDENDUM

Section 15162 of the State CEQA Guidelines states the following:

(a) When an EIR has been certified or a negative declaration adopted for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- 1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of significant new environmental effects or a substantial increase in the severity of previously identified significant effects;***

Discussion: The proposed Project does not require major revisions to the adopted 2019 Final MND, because there are no substantial changes that would involve new or more severe significant environmental effects. The 2019 Final MND project analyzed repairs at Marginal Wharves 2, 5 and 7, including reconfiguration and pile replacement, and the phased as-needed pile replacement of all 1,304 piles that existed within the project site. The Addendum No. 1 project analyzed three components in addition to the work proposed in the 2019 Final MND Project, including the structural repair of the existing quay wall, removal and improvement of pier 4/wharf 4 deck, and removal of deteriorated piers 1, 5 and 7. Addendum No. 1 anticipated that work would not take place between April 1 and September 15 annually to avoid the CLT nesting season. However, the 2019 Final MND anticipated that work would be able to take place during the CLT nesting (between April 1 and September 15) annually, as potential impacts to CLT were limited to disturbance during foraging, which takes place year-round, and not to nests or breeding behaviors. Impacts to CLT during foraging were determined to be mitigable to a less-than-significant level with implementation Mitigation Measure BIO-

1, which calls for biological monitoring and work cessation if CLT are observed to be present in the project site.

The Current Project would consist of the same development analyzed in the 2019 Final MND and Addendum No. 1, with no additional project components added or changes. or changes construction methods, location, or scope. The only proposed change to the project would be to allow for construction to occur between April 1 and September 15 annually, which is within the breeding season of the federally-listed-as-endangered CLT provided that biological monitoring and work cessation would occur in line with the 2019 Final MND Mitigation Measure BIO-1, and as originally contemplated in the 2019 Final MND. The change would also be reflected through an amendment to special provisions of the associated Coastal Development Permit. This update would bring Port District-issued permits into alignment with the 2019 Final MND and approvals issued by other permitting agencies, such as the U.S. Army Corps of Engineers. As with the projects analyzed in the 2019 Final MND and Addendum No. 1, there would not be an expansion of the existing use of the site, nor would there be an increase in operational capacity at the site following completion of the project. Therefore, no substantial changes are proposed in the project which will require major revisions of the negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

- 2) *Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or Negative Declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or***

Discussion: No substantial changes in the circumstances of undertaking the Project have been identified during the preparation of this Addendum. Both projects analyzed in the 2019 Final MND and Addendum No. 1 were located on the eastern edge of San Diego Bay in the City of San Diego and was located on 27.3 acres at 1995 Bay Front Street, San Diego 92113 (Project Site). The Project Site was leased by the HII San Diego Shipyard from the Port District and was located in the Belt Street Industrial Subarea of Planning District 4 (Tenth Avenue Marine Terminal) of the Port District's certified Port Master Plan (PMP). The land and water use designations for the site in the certified PMP included Marine Related Industrial and Specialized Berthing. The Project Site was located beneath the San Diego-Coronado Bay bridge footprint and included the waterfront on both sides of the bridge.

The Addendum No. 2 project proposes to allow for the construction activities outlined in the 2019 Final MND and Addendum No. 1 to occur at the HII San Diego Shipyard's leasehold located at 1995 Bay Front Street, San Diego, California 92113 between April 1 and September 15 annually, which is within the breeding season of CLT, which listed as endangered at both the state and federal levels, provided that biological monitoring and work cessation occur in line with the 2019 Final MND Mitigation Measure Bio-1, and as originally contemplated in the 2019 Final MND. The Addendum No. 2 Project would be located at the same 27.3-acre site as both projects analyzed in the 2019 Final MND and Addendum No. 1. The environmental setting remains the same as what was previously analyzed in the MND.

The adopted MND identified that the CLT occur in the project vicinity and could occur within the project site. CLT were observed foraging at multiple locations within the project site during the site survey conducted for the Marine Biological Resources Report in the 2019 Final MND. However, the nearest nesting colony to the project site is located approximately two miles to the northwest in Coronado. There are no open beaches within the project site, and the likelihood of on-site nesting is low. However, because CLT has been observed foraging within the project site, physical harm could occur to this species during project construction. Mitigation Measure BIO-1, which includes monitoring for CLT, would allow the project to avoid impacts to this species. Since the 2019 Final MND, no nests have been identified within closer range to the project site, and Mitigation Measure BIO-1, which includes monitoring for CLT, would still apply to the project. Therefore, no changes have occurred with respect to the circumstances under which the project would be undertaken which will require major revisions of the 2019 Final MND and/or Addendum No. 1 due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects.

3) *New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the Negative Declaration was adopted, shows any of the following:*

(A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration,

(B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;

(C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible, and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

(D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Discussion: There is no new information, which was not known and could not have been known with the exercise of reasonable due diligence at the time the 2019 Final MND was adopted, nor at the time the Addendum No. 1 was prepared. Specifically, since adoption of the 2019 Final MND and preparation of Addendum No.1, there have been no updates to Federal, State, or local regulations and/or District policies that are associated with construction taking place during CLT breeding season in a location where there is not the potential to impact CLT nests or breeding behaviors. Furthermore, there have been no changes to the project site that would create the habitat necessary for nesting to occur within the project, nor have any CLT nests been observed in the proximity of the project site since the 2019 Final MND was adopted. The Current Project would consist of the same development analyzed in the 2019 Final MND and Addendum No. 1, with no additional project components added or changed,

but rather would allow for construction to occur within the CLT breeding season provided that biological monitoring and work cessation would occur in line with the 2019 Final MND Mitigation Measure BIO-1, and as originally contemplated in the 2019 Final MND.

The Current Project would not result in any changes to project construction methods, location, or scope, nor would it result in any changes to the mitigation measures adopted in the 2019 Final MND. Additionally, there was no new information that changed the feasibility of any mitigation measures analyzed in the preparation of the 2019 Final MND, and no new information that would result in changes to mitigations measures adopted in the 2019 Final MND. Furthermore, there were no mitigation measures found to be infeasible during the preparation of the 2019 Final MND that would substantially reduce one or more significant effects of the project, nor were there mitigation measures which are considerably different from those analyzed in the 2019 Final MND that would substantially reduce one or more significant effects of the project.

As such, there was no new information regarding the Current Project that a) would have any significant effects that were not discussed in the previous negative declaration; b) would result in any of the significant effects previously examined to become substantially more severe than shown in the previous MND; c) would result in the project proponents declining to adopt a mitigation measure previously found not to be feasible that would in fact be feasible, and would substantially reduce one or more significant effects of the project; and d) would result in the project proponents declining to adopt a mitigation measure which is considerably different from those analyzed in the 2019 Final MND, and would substantially reduce one or more significant effects of the project.

Section 15164(a) of the CEQA Guidelines states that "the lead agency or responsible agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred." Furthermore, CEQA Guidelines Section 15164(b) states that "an addendum to an adopted negative declaration may be prepared if only minor technical changes or additions are necessary or none of the conditions described in Section 15162 calling for the preparation of a subsequent EIR or negative declaration have occurred." Based on the provisions of CEQA Guidelines Sections 15162 and 15164, the Port District finds that none of the conditions described in Section 15162 call for preparation of a subsequent mitigated negative declaration have occurred and that an addendum to the 2019 Final MND shall be prepared for the proposed Project. In accordance with Section 15164(c), the Addendum is not required to be circulated for public review. The Board "shall consider the addendum with the ... adopted negative declaration prior to making a decision on the project", pursuant to CEQA Guidelines Section 15164(d). The Addendum is anticipated to be considered by the Board at its February 17, 2026 meeting.

INTENDED USES OF MND AND ADDENDUM

The MND and the Addendum will be considered by the Board with respect to the following discretionary actions related to the project:

- Approval of issuance of Amendment No. 1 to Coastal Development Permit No. CDP-2022-06 for the CMSD Facility Improvement Project.

