

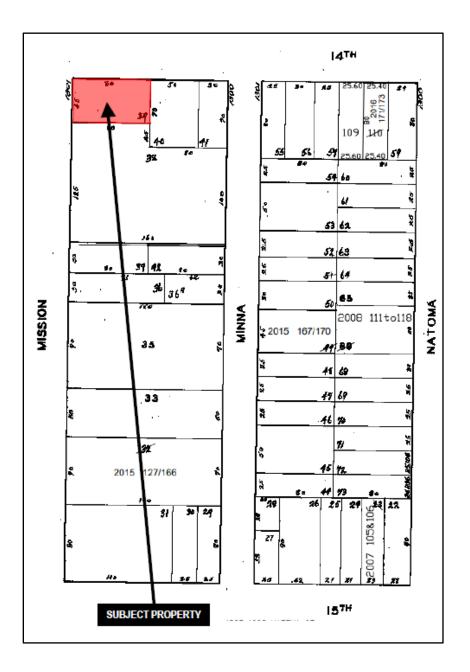
1801 MISSION STREET CATEGORICAL EXEMPTION APPEAL HEARING



Project Site

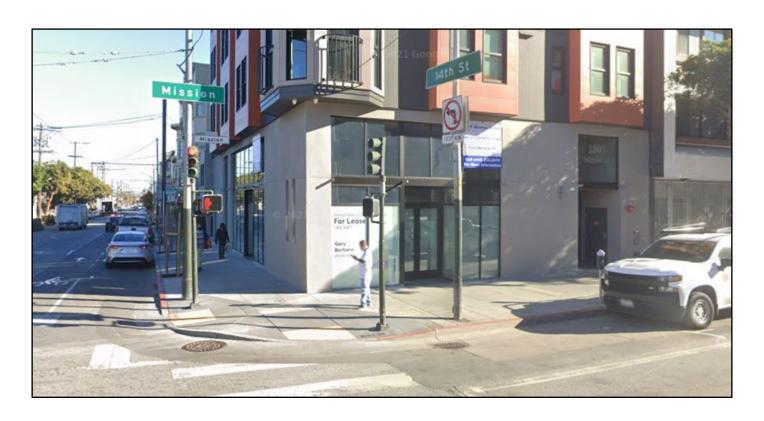
- Southeast corner of 14th and Mission streets
- Occupied by six-story residential building completed in Sept 2020
- Ground-floor retail space has never been occupied





Project Overview

- Establish limited restaurant use/coffee shop in existing vacant retail space
- Interior tenant improvements plus two new awnings; no physical expansion of existing space



Background

- Planning Department:
 - Issued Class 1 categorical exemption on 11/18/20
 - Sent Section 311 notice on 12/15/20
- Appellant filed request for Discretionary Review on 1/14/21
- Planning Commission:
 - Took Discretionary Review Action on 3/25/21
 - Approved building permit application and imposed four conditions of approval
- Appellant filed appeal of categorical exemption on 4/26/21

Department's Response 1 – Project Qualifies for Class 1

- Project received Class 1 categorical exemption, not community plan evaluation
- Class 1 categorical exemptions apply to operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing structures (CEQA Guidelines Section 15301)
 - Key consideration is whether the project involves negligible or no expansion of an existing use
 - The project would not expand the existing retail space
- None of the exceptions prohibiting use of categorical exemption applies (CEQA Guidelines Section 15300.2)

Department's Response 2 – Displacement and Gentrification Concerns Do Not Disqualify Categorical Exemption

- The project would not displace an existing business
 - Existing retail space is vacant and has never been occupied
- Gentrification is socioeconomic impact rather than physical environmental impact
 - Economic and social impacts are separate from environmental impacts (CEQA Guidelines Sections 15064(e) and 15131)
- Neither displacement nor gentrification are unusual circumstances, and even if they were, they would not result in significant physical environmental impacts

Department's Response 3 – Appellant Cites Incorrect Standards

- Appellant cites incorrect CEQA standard
- Appellant cites legal cases involving EIRs and negative declarations instead of categorical exemptions

Conclusion

- Class 1 categorical exemption is appropriate
- No further environmental review is required
- RECOMMENDATION: Reject appeal and uphold CEQA determination