

1. Introduction

Pursuant to *California Public Resources Code* §21082.1, the City of San Clemente (City) has independently reviewed and analyzed information contained in this Supplemental Environmental Impact Report (SEIR) prior to its distribution. Conclusions and discussions contained herein reflect the independent judgment of the City as to those issues known at the time of publication.

1.1 Purpose of the SEIR

This EIR has been prepared as a Supplemental EIR (SEIR) on behalf of the City to evaluate the environmental consequences, the mitigation measures, and the project alternatives associated with the proposed Outlets at San Clemente Sign Program Amendment (Project) which was previously analyzed in the Marblehead Coastal EIR (SCH No. 95091037) and subsequent addenda. The proposed Project requires the following discretionary actions:

- Certification of the Supplemental EIR
- Approval of Amendment to Discretionary Sign Permit 05-176 for a Master Sign Program for freeway-oriented signs
- Approval of Sign Exception Permit 15-428

It is intended that this SEIR be considered in the decision-making process for this Project, along with other information presented at public proceedings on the Project. Pursuant to California Environmental Quality Act (CEQA) Guidelines §15200, this SEIR will serve the following purposes of review:

1. Sharing expertise
2. Disclosing agency analyses
3. Checking for accuracy
4. Detecting omissions
5. Discovering public concerns
6. Soliciting counter proposals

1.2 Statutory Authority

This SEIR has been prepared in accordance with the CEQA statutes, as amended (*Public Resources Code* §21000, et seq.). As noted, a sign program for the Outlets at San Clemente project was analyzed in the Marblehead Coastal EIR (SCH No. 95091037) and subsequent addenda. However, changes to a proposed project or its surrounding circumstances subsequent to the certification of an initial EIR necessitate the preparation of a supplement to an EIR, commonly known as a Supplemental EIR (SEIR) (*California Public Resources Code*

§21166; CEQA Guidelines §15162, §15163). This allows agencies to prepare an SEIR to modify projects in response to changed circumstances and new information without requiring that the environmental review process begin anew.

CEQA Guidelines §15162 requires preparation of a subsequent EIR if:

- Substantial changes are proposed in the project which will require major revisions of the previous EIR . . .
- Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR. . .
- New information of substantial importance has occurred which was not known and could not have been known with the exercise of reasonable diligence at the time the EIR was certified. . .

As noted in CEQA Guidelines §15163, a supplement to an EIR may be prepared rather than a subsequent EIR if:

- 1) Any of the conditions described in Section 15162 would require the preparation of a subsequent EIR, and
- 2) Only minor additions or changes would be necessary to make the previous EIR adequately apply to the project in the changed situation.

Because none of the §15162 conditions have occurred requiring preparation of a Subsequent EIR, the City has determined that a Supplemental EIR should be prepared to augment the previously certified EIR. Further, per §15163, the supplement to the EIR need contain only the information necessary to make the previous EIR adequate for the project as revised, and may be recirculated without recirculating the previous draft or final EIR.

In accordance with CEQA Guidelines §15146, the degree of specificity required in an EIR must correspond to the actions sought to be covered by the EIR. In accordance with CEQA Guidelines §15050, the City is the Lead Agency for this SEIR.

The SEIR identifies and discusses every significant impact, mitigation measure, and project alternative with relationship to this project, using best efforts to forecast, while incorporating requests by the public and responsible agencies for consideration of specific mitigation measures and/or alternatives.

The mitigation measures included in this SEIR are designed to avoid or reduce the environmental impacts described herein. Mitigation measures are structured in accordance with §15370 of the CEQA Guidelines. This section refers to effects on the physical environment, as opposed to other types of effects (e.g., economic and social effects) that may arise as a result of this Project or that may be of interest to the public and decision makers generally. Accordingly, the mitigation measures have been structured to meet the following criteria:

- Avoiding the impact altogether by not taking a certain action or parts of an action
- Minimizing impacts by limiting the degree or magnitude of the action and its implementation
- Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment

- Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action
- Compensating for the impact by replacing or providing substitute resources or environments

1.3 CEQA Process

CEQA requires agencies to prepare EIRs and other environmental documentation “as early as feasible in the planning process to enable environmental considerations to influence project program and design and yet late enough to provide meaningful information for environmental assessment” (CEQA Guidelines §15004(b)). The first step in the CEQA process is the preparation of an Initial Study (IS). However, if the lead agency can determine that an EIR will clearly be required for the project, an initial study is not required (CEQA Guidelines §15063(a)).

The City has prepared this Supplemental EIR to address the issue of environmental analysis of the sign program as required by the 2008 Court decision. Approval of the SEIR is intended to allow the City to process a Sign Exemption Permit for the sign program as proposed since certification of the original Marblehead EIR.

An Initial Study Checklist was prepared specifically for the purpose of identifying which environmental topics would be analyzed in the SEIR. A Notice of Preparation (NOP) and Initial Study (IS) were prepared and distributed for review on March 28, 2017 and are provided as Appendix A herein. Time limits mandated by state law required a 30-day review period; therefore, the review period ended on April 26, 2017. The purpose of the NOP was to provide public information and to elicit responses on matters to be studied in the SEIR. The NOP was filed with the Orange County Clerk-Recorder, posted on the City’s website, and sent via U.S. mail to approximately 12 public agencies and interested parties.

A Public Scoping Meeting was held on April 13, 2017 in the City of San Clemente to allow local residents and interested persons an opportunity to review the proposed Project and provide input on issues to be addressed in the SEIR. At that meeting, the process for commenting on the SEIR was described and attendees were notified that a public meeting would be held by the City to consider the SEIR. The Scoping Meeting was attended by approximately 50 individuals. Comments were solicited from the meeting attendees. A summary of the main comments provided during the Public Scoping Meeting is included in Table 1-1, along with a notation of where the issue is addressed in the DEIR.

Table 1-1 Scoping Meeting Comment Summary

Comment	Where Comment is Addressed in DEIR
Need daytime and nighttime project simulations including Icon Tower.	Section 5 – Aesthetics, Section 5.1
Concern related to hours of sign illumination.	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
Concern related to sign colors and lighting.	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
Provide lighting plan.	Section 5 – Aesthetics, Section 5.1
Concern regarding the type of lighting technique that will be used.	Section 4 – Project Description, Section 4.3
Concern regarding the lights remaining on after the close of business.	Section 5 – Aesthetics, Section 5.1
Concern related to hotel signs lighting remaining on 24-hours.	Section 5 – Aesthetics, Section 5.1
Plans to include scaled signs showing the maximum size that will be permitted by the City.	Section 4 – Project Description, Section 4.3
Scaled elevations need to be provided.	Section 5 – Aesthetics, Section 5.1
Plans need to show an accurate picture.	Section 4 – Project Description, Section 4.3
Traffic currently backs up northbound on Pico. Will the project add more traffic and cause more accidents?	Section 5 – Transportation and Traffic, Section 5.4
Traffic impacts on drivers trying to read 36 signs while driving on the freeway.	Section 5 – Transportation and Traffic, Section 5.4
The project will create a situation where it is dangerous for cars trying to exit the freeway.	Section 5 – Transportation and Traffic, Section 5.4
Approval and sizes of temporary signs.	Section 5 – Land Use and Planning, Section 5.3
Alternative including a northbound and southbound tower with no building signs.	Section 6 – Project Alternatives, Section 6.3 (or 6.5)
Construction quality and compatibility with ambiance.	Section 5 – Aesthetics, Section 5.1
The signs will be a new source of light pollution.	Section 5 – Aesthetics, Section 5.1
Residents do not want a Citadel by the sea.	Not a CEQA issue
The signs need to be of good quality to attract the right people.	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
Notices should be sent out to all Home Owners Association in the area.	Section 1 – CEQA Process, Section 1.3
Noticing should be provided to all area residents.	Section 1 – CEQA Process, Section 1.3

The City received 75 comment letters, including Caltrans, Native American Heritage Commission, California Office of Planning and Research, South Coast Air Quality Management District, and 71 individuals during the NOP 30-day review period. A summary of the main comments is included in Table 1-2, along with a notation of where the issue is addressed in the DEIR. A copy of each letter is provided as Appendix B.

Table 1-2 NOP Review Period Comment Summary

Comment	Where Comment is Addressed in DEIR
Lighting impact on wildlife.	Section 5 – Biological Resources, Section 5.2
Lighting impact on night sky.	Section 5 – Aesthetics, Section 5.1
Concern regarding signs operation beyond outlet hours.	Section 5 – Aesthetics, Section 5.1 Section 10 – Inventory of Unavoidable Impacts
Driver distractions caused by signs.	Section 5 – Transportation and Traffic, Section 5.4
Potential negative impacts on property value.	Not an environmental issue.
Homeowner views will be impacted by the project.	Section 5 – Aesthetics, Section 5.1
The project infringes on property owner’s rights.	Not an environmental issue.
Promotes sign pollution.	Section 5 – Land Use, Section 5.3
The project aesthetically conflicts with the Spanish Village by the Sea theme.	Section 5 – Aesthetics, Section 5.1
Psychological and physiological impacts of signs.	Section 5 – Aesthetics, Section 5.1
Decrease in home value.	Not an environmental issue.
Tower signs are not compatible with the community.	Section 5 – Aesthetics, Section 5.1
Concern that neon signs will replace temporary signs.	Section 4 – Project Description, Section 4.3
Support for signage to draw business.	Not an environmental issue.
Support for one sign at the exit.	Section 5 – Transportation and Traffic, Section 5.4
Signs will cheapen the aesthetic area.	Section 5 – Aesthetics, Section 5.1
Lighting will be intrusive to residents.	Section 5 – Aesthetics, Section 5.1
Outlet plans showed thick landscape but never delivered.	The analysis in this EIR focuses on project impacts based on existing on-site conditions.
Advertisement for the outlet is unnecessary.	Not an environmental issue.
The additional allowable colors are not appropriate.	Section 5 – Aesthetics, Section 5.1 Section 6 – Alternatives, Section 6.7 Section 10 – Inventory of Unavoidable Impacts
The signs would diminish the style of the town.	Section 5 – Aesthetics, Section 5.1
Minimize to a few signs to alert motorists.	Section 6 – Alternatives, Section 6.8
Include story poles for the hotel.	The hotel was previously analyzed and approved.
Include RSCCA in noticing.	Section 1 – CEQA Process, Section 1.3
Include Broadmoor in noticing.	Section 1 – CEQA Process, Section 1.3
Include all area HOAs in noticing.	Section 1 – CEQA Process, Section 1.3
Request for accurate renditions of signs.	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
Provide lighting levels.	Section 5 – Aesthetics, Section 5.1 Appendix C – Operational Photometric Assessment – Plaza San Clemente Appendix D – Operational Photometric Assessment – Plaza San Clemente Hotel Site
Provide noise comparison with other outlets.	As discussed in the initial study, noise impacts from a fully functional regional commercial center were analyzed in the Marblehead EIR (1998 and 2004 Addendum)

Comment	Where Comment is Addressed in DEIR
Concern about increase in traffic congestion.	Section 5 – Transportation and Traffic, Section 5.4
Lighted signs will taint the night sky and stars.	Section 5 – Aesthetics, Section 5.1
A 45-foot sign does not keep in character with the city.	Section 5 – Aesthetics, Section 5.1 Section 5 – Land Use and Planning, Section 5.3
Suggest that the City consider signage that is of uniform font and color without the use of logos.	Section 5 – Aesthetics, Section 5.1 Section 6 – Alternatives, Section 6.7 Section 10 – Inventory of Unavoidable Impacts
There is too much lighting already there.	The analysis in this EIR focuses on project impacts based on existing on-site conditions.
Lights from signs will shine directly into homes.	Section 5 – Aesthetics, Section 5.1
Signs will increase commercialism.	Not an environmental issue
Clarification of City's role in the CEQA process.	Section 1 – CEQA Process, Section 1.3
Project not compatible with historic culture and architecture.	Section 5 – Aesthetics, Section 5.1
Signage was not included as a part of the original plans.	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
Freeway-oriented signs, including temporary banners, are not permitted by the City Code.	Section 5 – Land Use and Planning, Section 5.3
The signs conflict with the City's policy to reduce and eliminate freeway-oriented signs.	Section 5 – Land Use and Planning, Section 5.3
Signs are not compatible with project architecture.	Section 5 – Aesthetics, Section 5.1
The signs conflict with current City regulations and codes.	Section 5 – Land Use and Planning, Section 5.3
The proposed signs are advertisement.	Section 4 – Project Description, Section 4.3
Signage colors limited to bronze.	Section 5 – Aesthetics, Section 5.1 Section 6 – Alternatives, Section 6.7 Section 10 – Inventory of Unavoidable Impacts
Painted on temporary signs are not banners.	The analysis in this EIR focuses on project impacts based on existing on-site conditions.
This project is not comparable to the outlets at Carlsbad, Camarillo, or the desert.	Section 4 – Project Description, Section 4.3
Concern that San Clemente will become the “Spanish Vegas by the Sea.”	Section 4 – Project Description, Section 4.3 Section 5 – Aesthetics, Section 5.1
The addition of signs will not increase profit.	Not an environmental issue
Outlets are outdated.	Not an environmental issue
Signs are outdated.	Not an environmental issue

This SEIR will be distributed to affected agencies, surrounding cities, and interested parties for a 45-day review and comment period in accordance with CEQA Guidelines §15087. Upon completion of the 45-day public review period, written responses will be prepared to all comments received on the SEIR during the public review period. These comments and responses, along with the Mitigation Monitoring and Reporting Program for the Project, will constitute the Final SEIR for the Project. In accordance with CEQA Guidelines, written responses to comments from public agencies will be made available to those agencies at least 10 days prior to the public hearing with the City Council, at which time certification of the Final SEIR would be considered.

It should be noted that the environmental impacts of a project may not always be mitigated to a less than significant level. When this occurs, impacts are considered significant unavoidable impacts. If a public agency approves a project that has significant unavoidable impacts, the Lead Agency shall state in writing the specific reasons for approving the project based on the Final SEIR and any other information in the public record for the project. This is termed a “Statement of Overriding Considerations” in accordance with CEQA Guidelines §15093, and is used to explain the specific reasons the benefits of the proposed Project make its significant unavoidable impacts acceptable. The Statement of Overriding Considerations, if necessary, is prepared after the Final SEIR has been completed, but before action to approve the project has been taken.

1.4 Incorporation by Reference

Certain documents are to be incorporated by reference into this SEIR pursuant to CEQA Guidelines §15150. Where a document is incorporated by reference, its pertinent sections will be briefly summarized and referenced in the relevant sections in this SEIR. The following documents are among those incorporated by reference herein:

- City of San Clemente General Plan
- City of San Clemente Zoning Code
- Marblehead Coastal EIR (SCH No. 95091037)
- Marblehead Coastal EIR Addenda Nos. 1 thru 5
- Marblehead Coastal Specific Plan
- Marblehead Coastal Development Agreement
- Marblehead Coastal Design Guidelines

Copies of all documents incorporated by reference are available for public review at the City of San Clemente, Planning Division, 910 Calle Negocio, 1st Floor, San Clemente, California.

1.5 Issues to be Resolved

CEQA Guidelines §§15123(b)(2) and (3) require that the EIR summary identify areas of controversy known to the lead agency, issues raised by agencies and the public, and issues to be resolved, including the choice among alternatives and whether or how to mitigate significant impacts.

Issues to be resolved that are known or have been called to the attention of the City during the NOP process are noted below. Because each issue to be resolved could involve some degree of controversy, the distinction between the area of controversy and an issue to be resolved is not critical. Issues raised during the Public Scoping Meeting and the NOP comment period are:

- Lighting impact on area residences
- Safety concerns for freeway traffic
- Number of signs is greater than originally proposed
- Signs visible from freeway result in visual clutter due to their size, number and color

It is recognized that other issues may be raised during the review and hearing process that were not and could not have been known at the time of the publication of this SEIR. These will be addressed to the extent required by law in the preparation of the Final SEIR and in the deliberation process.

1.6 Disagreement among Experts

This SEIR and the record of proceedings contain substantial evidence to support all of the conclusions presented herein. That is not to say that there will not be disagreements with these conclusions. The CEQA Guidelines and, more particularly, case law clearly provide the standards for treating disagreement among experts. Where evidence and opinions of experts conflict on an issue concerning the environment, and the agency knows of these controversies in advance, the SEIR must acknowledge the controversies, summarize the conflicting opinions of the experts, and include sufficient information to allow the public and decision-makers to take intelligent account of the environmental consequences of their action.

It is also possible that evidence will be presented during the SEIR review that might create disagreement. This evidence is considered by the decision-makers during the public hearing process. In rendering a decision on a project where there is disagreement among experts, the decision-makers are not obligated to select the most conservative or environmentally protective option. They may give more weight to one expert than another, and resolve a dispute among experts through the exercise of their collective good faith judgment. In their proceedings, they must consider the comments received and address objections, but need not follow said comments or objections so long as they state the basis for their decision and that decision is supported by substantial evidence.

1.7 Thresholds of Significance

The state does not require that local agencies adopt their own thresholds of significance. In this regard, the City relies on the state's CEQA Environmental Checklist. In addition, in some areas, the City relies on its General Plan, codes, and ordinances as thresholds of significance.

1.8 Project Alternatives

Section 6, Alternatives Analysis of this Draft EIR presents alternatives that have been designed to alleviate identified environmental impacts. These alternatives consist of the No Project Alternative, the Reduced Size Alternative, the Reduced Size/Reduced Number Alternative, the Project Identification Alternative, Icon Tower Alternative, and the Hours of Operation Alternative. Each alternative has been measured against the stated objectives of

the proposed Project, and in accordance with CEQA Guidelines §15126.6, range of alternatives must be able to attain most of the basic objectives of the project.

The alternatives focus on approaches capable of eliminating significant environmental impacts associated with the proposed Project including, but not limited to, aesthetics, biological resources, land use, and traffic, or reducing the impacts to a level of insignificance. Consistent with CEQA Guidelines §15126.6, an EIR need only address those alternatives that are actually capable of reducing or eliminating one or more significant physical environmental effect brought on by the project, as proposed. A comprehensive analysis of Project alternatives, including the identification of the environmentally superior alternative, is provided in Section 6, Alternatives Analysis.

1.9 Availability of Draft EIR, Technical Appendices, and Administrative Record

The SEIR, Technical Appendices, and the Administrative Record for the proposed Project are available at the City of San Clemente, Planning Division, 910 Calle Negocio, 1st Floor, San Clement, California.

This SEIR may be viewed on the City's website at:

<http://san-clemente.org/about-us/city-news/current-projects>

A reference copy CD is available for review at the San Clemente Public Library, 242 Avenida Del Mar, San Clemente, California.

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