

Merkel & Associates, Inc.

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> April 26, 2017 M&A #16-059-01

Villa San Clemente, LLC c/o David Sanner, Craig Realty Group 4100 MacArthur Blvd, Suite 100 Newport Beach, CA 92660

> Outlets at San Clemente Freeway Facing Signs Project, Located in the City of San Clemente, Orange County, CA

Dear Mr. Sanner,

As requested, Merkel & Associates, Inc. (M&A) has prepared this letter to address the updated project description contained in the March 2017 Notice of Preparation of a Draft Supplemental Environmental Impact Report For Freeway-Oriented Signage for The Outlets at San Clemente and the associated Initial Study ("NOP/IS") released for public review by the City of San Clemente in March 2017, in particular with regard to the proposed sign lighting hours and how this revision may affect the conclusions in the project biological impact analysis report, if applicable. M&A prepared the Biological Resources Impact Analysis Report for the Outlets at San Clemente Freeway Facing Signs Project, dated February 7, 2017. The project site is located on privately owned developed land immediately west of Interstate-5, east of Avenida Vista Hermosa, and north of East Avenida Pico (Assessor's Parcel Number 691-422-13) in the City of San Clemente, California.

The proposed project description in the February 7, 2017 project biological impact analysis report stated: "The proposed project consists of the installation of 36 wall-mounted, freeway-oriented and/or freeway-visible signs at the existing Outlets at San Clemente regional shopping center and planned hotel. The proposed signs include 27 tenant signs and four project identification signs on the shopping center portion of the site, and three primary hotel identification signs and two secondary identification signs on the hotel portion of the site. The proposed primary identification project tower will be located at the southeast corner of the development, adjacent to and facing I-5. In some of the proposed sign locations on the already constructed section of the Outlets, temporary signs have been placed. These temporary signs are proposed to be replaced with permanent raised and backlit signs in the same general location. The remaining signs will be placed on the proposed icon tower and on the approved but yet to be built Phase 2 of the project and hotel. All 36 proposed signs are backlit building and tower mounted signs with metal reverse channel halo-lighting. In addition, all of the proposed project signs would be automatically shut off one hour after the close of business."

The updated project description noted in the NOP/IS is only different from the original description provided above regarding the hours the proposed sign lighting may be shut off at night. All other components and descriptions of the proposed project remain the same as the original project description. The updated proposed sign lighting hours is understood to vary based on the type of sign and location, as follows: merchant signage will automatically shut off 1 hour after close of individual merchant stores; restaurant and theatre signs will remain on past 10:00 p.m.; tower and monument sign shall shut off at 10:00 p.m., and hotel signs are anticipated to remain illuminated 24 hours a day. The only proposed signs that face the adjacent canyon that supports sensitive habitat include the following: Outlet ID sign #2, Tenant ID signs #22-23, and Hotel ID #5 (see attached Overall Site Plan). Of these signs, only the Tenant and Hotel signs have updated lighting hours from automatically shutting off one hour after close of business to the updated hours that extend past 10 p.m. to an undetermined time for the Tenant signs and to 24 hours a day for the Hotel sign.

As provided in the project biological impact analysis report, the only potential indirect impacts from the proposed project may be from an increase in night lighting condition within sensitive habitat that supports sensitive species and specifically the adjacent canyon in the northwestern portion of the study area. This canyon is occupied by coastal California gnatcatcher. Therefore, the analysis provided in the biological report concentrated on the proposed lighting along the northern edge of the outlet center, that faces the adjacent canyon to the north and along the southern edge of the planned hotel that faces the adjacent canyon to the south. Further, the report assumed that if the modeled proposed night lighting condition in the adjacent canyon is substantially higher than the ambient lighting condition in the canyon, then this change in exposure to artificial lighting conditions in the canyon that supports gnatcatcher may be considered a significant impact under CEQA.

As analyzed in the biological impact analysis report, when the ambient/baseline lighting condition is compared to the cumulative lighting condition in the adjacent canyon, there is little or no difference (i.e., 0.00-0.49 FC) within the canyon that is currently exposed to a certain level of night lighting within a built out/urban setting. Therefore, the adjacent canyon that supports gnatcatcher habitat would not be exposed to a substantial increase or change in artificial night lighting from the proposed project. Further as provided in the biology report, it was not expected that the minimal proposed increase in lighting within gnatcatcher habitat within a predominately urban setting would substantially reduce the number or restrict the range of gnatcatcher or adversely affect gnatcatcher; therefore, the proposed lighting into sensitive habitat including occupied gnatcatcher habitat is not expected to be considered significant under CEQA.

Although the updated project description extends the proposed lighting hours longer than the originally proposed lighting for some of the signs, there is no change to the lighting intensity and/or area affected within the adjacent canyon as provided in the biological impact analysis report.

Therefore, the updated project lighting is not expected to substantially reduce the number or restrict the range of gnatcatcher or adversely affect gnatcatcher and would still not be considered significant under CEQA.

If you have any questions concerning this letter, please do not hesitate to contact me at (858) 560-5465 or gkrantz@merkelinc.com.

Sincerely,

Gina Krantz Project Manager

Gra M. Krante

Keith W. Merkel Principal Consultant

Attachment

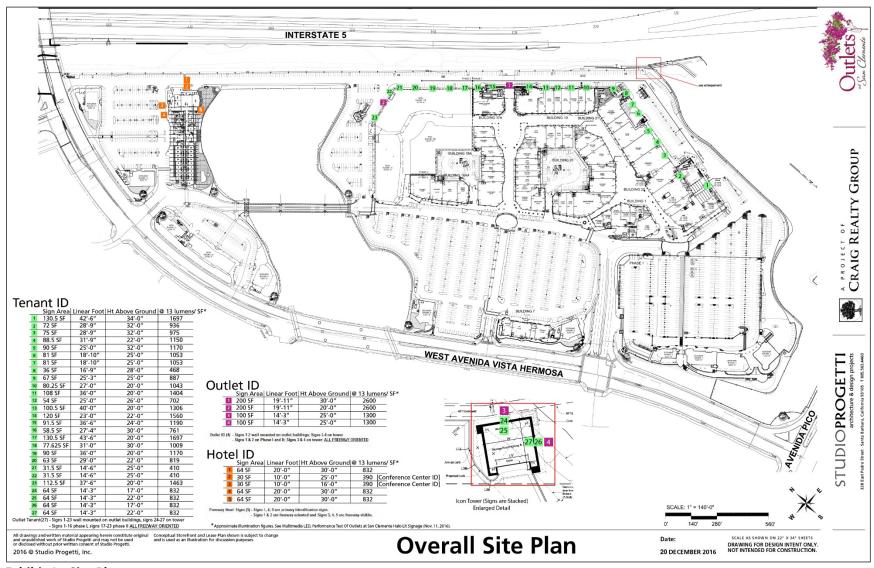


Exhibit 1 - Site Plan